

Kurdish talks adjourned

DIYARBAKIR, Iraq (R) — Kurdish leaders in northern Iraq have postponed a debate on a draft autonomy agreement with Baghdad, amid signs of a split between the main rebel chiefs. The Iraqi Kurdistan Front, grouping eight parties, was due to meet Saturday to discuss the pact, which follows four months of talks with the government (see page 2). Kurdish sources said Sunday the meeting had been rescheduled for Monday to give individual parties more time to review the document and consult their members. Massoud Barzani, head of the front and the main negotiator with Baghdad, told Reuters last week: "I will vote for peace. It will vote for a negotiated settlement." But his long-time political rival Jalal Talabani, in an interview Saturday, set out two basic demands not fully covered in the draft pact. "The inclusion of the city of Kirkuk within the Kurdish autonomous region and the establishment of democracy in Iraq is our minimal demand," Mr. Talabani, chairman of the Patriotic Union of Kurdistan (PUK), said. "Kirkuk is our Jerusalem. We will never accept it as an Iraqi city or as an Arab city," said Mr. Talabani from his party headquarters in Shaqlawa. "On this there will be no compromise."

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U.N. chief due in Tehran

NICOSIA (R) — United Nations Secretary General Javier Perez de Cuellar is to visit Iran to discuss reparations from the Iran-Iraq war, Iranian Foreign Minister Ali Akbar Velayati said in remarks published Sunday. He told Iran's Jomhuri Eslami newspaper that Mr. Perez de Cuellar would visit Iran "in the near future to discuss, among other things, the issue of war reparations. U.N. experts visited Iran this year to assess damage from the 1980-88 conflict which Iranian officials have estimated at up to a trillion dollars. The minister's remarks made no mention of any other topics Mr. Perez de Cuellar might discuss in Iran. Nor did it give any date for his visit. The U.N. chief has been on holiday in Portugal and was due in Geneva Sunday. Mr. Perez de Cuellar is trying to arrange an exchange of Arabs held by Israel for Western hostages in Lebanon, many of them detained by pro-Iranian groups. Iran has accused the United States and Israel of delaying the exchange by failing to respond with goodwill to the release of two hostages, Briton John McCarthy and American Edward Tracy, who were freed in Lebanon two weeks ago.

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Jordan, PLO to set up panel to work out joint negotiating stand King, Arafat discuss Mideast peace conference

By Lami K. Andoni and Narmeen Murad

Jordan Times Staff Reporters
AMMAN — His Majesty King Hussein and Palestinian Liberation Organisation (PLO) Chairman Yasser Arafat held talks Sunday on efforts to convene an international peace conference and the possible formation of a joint Jordanian-Palestinian negotiating team.



His Majesty King Hussein and His Royal Highness Crown Prince Hassan with Palestinian leader Yasser Arafat in Amman Sunday (Petra photo)

Two sides had agreed to form an action committee to work out "a joint negotiating position."

The PLO, the sources said, is seeking a joint Jordanian-PLO negotiating position to serve as a nucleus for an Arab negotiating stance to enhance Palestinian demands for American guarantees.

Both Jordan and the Palestinians have been seeking guarantees from the U.S. government that the proposed October conference will lead to the implementation of Security Council resolutions calling for an Israeli withdrawal from the Arab territories occupied in 1967.

PLO officials have repeatedly indicated that the organization's acceptance of a joint delegation hinges on the U.S. readiness to

provide the Arab sides with guarantees of Israeli withdrawal and recognition of the Palestinian national rights.

A PLO source told the Jordan Times prior to Sunday's meetings that if Jordan and the PLO were able to reach a joint Jordanian-Palestinian position and there were guarantees that the international conference will aim at applying the U.N. resolutions, the form of Palestinian participation will not be an issue.

"We are more concerned about substantive issues rather than modalities," he said.

The U.S. and Israel refuse to include the PLO directly in the suggested peace conference and insist that other non-PLO Palestinians take part in a joint

Jordanian-Palestinian delegation. It also rules out Arab East Jerusalem Palestinians in the delegation.

The PLO insists on naming the Palestinian delegates and defining the Palestinian side's negotiating position. Jordanian officials have said on several occasions that the Palestinian side will negotiate the Palestinian dimension of the Arab-Israeli conflict and that Jordan will support any decision the Palestinians will take.

The PLO is trying to get the major front-line states which will take part in the conference to meet to agree on a negotiating position prior to the peace conference. Jordan has welcomed the suggestion but the Syrian and Egyptian positions remain unclear despite assertions by some PLO officials that Cairo and Damascus had accepted the proposal, according to Arab diplomats.

The King's talks with Mr. Arafat on Sunday were attended on the Jordanian side by Prime Minister Taher Masri, Royal Court Chief Sherif Zeid Ben Shaker, King Hussein's Political Advisor Adnan Abu Odeh and Foreign Minister Ensour.

The Palestinian side included PLO Executive Committee members Mahmoud Abbas, Abdul Razaq Al Yahya, Yasser Abed Rabbo, Abdullah Hourani, Sulaiman Najjab, Mohammad Milhem and Elia Khouri and the Palestinian ambassador to Jordan.

House passes law on State Security Court

AMMAN (I.T.) — The Lower House of Parliament Sunday approved a law clearing the way for the creation of a state security court to deal with capital crimes involving national security, treason and drug trafficking.

The approval of the law came after the House, which met under the chairmanship of Speaker Abdul Latif Arabiyat, held a thorough discussion of the various articles of the law and the recommendations of the Legal Committee of the House.

The law stipulates that the Council of Ministers may establish one or more state security courts upon the recommendation of the justice minister. The court should have a three-member panel of civilian judges of a minimum level of grade two. It can also include two military judges — with a minimum rank of colonel and possessing a qualifying degree in law.

In the context of the Petra Bank cases, which are being tried by a military court (see

page 3), the law says that the military court will continue to try the cases and the court's verdict will be final and not subject to appeal at the Court of Cassation.

The military court's verdicts will be presented to the prime minister for his final decision.

The State Security Court will have the authority to try military personnel and civilians accused of any crime affecting national security on the external as well as internal levels as provided for in articles 107 to 117 and 135 to 139 of the Penal Code of 1960.

The court will also hear cases involving crimes committed in violation of Law No. 50 of 1971 on protection of the state's secrets and document as well as forgery of currency as provided in articles 239 to 252 of the Penal Code.

The court will also deal with crimes involving drug trafficking as well as firearms.

The House decided to delete a paragraph in the draft law referring to crimes seriously affecting the economic security

of the country such as violations of financial, economic, banking and customs regulations.

The deputies also amended the draft law to give the minister of justice the right to designate a prosecutor-general or deputy prosecutor-general for the State Security Court. The minister was also given the right to designate one or more attorney generals as the attorney general of the State Security Court in accordance with the authorities vested in them under Penal Proceedings Law No. 9 of 1961 or any other law replacing it.

The court's rulings should have unanimous endorsement of the panel of judges or at least a majority endorsement. The verdicts shall be subject to appeals at the Court of Cassation within 30 days of the date of the first ruling.

In cases where the prosecutor-general demands the death sentence or jail sentences for periods more than 10 years, the verdict of the State Security Court will be referred

to the Court of Cassation along with the case file within 30 days of the verdict.

A mandatory panel of five judges at the Court of Cassation will review the cases. The Court of Cassation can either endorse the ruling in light of evidence produced in court or reject the ruling as it finds fit.

If the State Security Court acquits any defendant, the Court of Cassation cannot find the person guilty on appeal without fresh hearings and proceedings.

If the Court of Cassation finds any violation or mistakes in the State Security Court's proceedings then it has the right to turn down the ruling and return to the State Security Court with instructions for trial.

In all cases the verdicts issued by the Court of Cassation will be final.

During Sunday's session, the Lower House accepted the resignations of Foreign Minister Abdullah Ensour from the Financial Committee and Mansour Murad from the Legal Committee.

Israeli ministers want to postpone peace conference

TEL AVIV (R) — Hardline Israeli ministers asked the cabinet Sunday to delay the Middle East peace conference planned for October because of instability in the Soviet Union.

The proposal was rejected. "We have to postpone the October conference until somewhere in 1992 because of what happened in the Soviet Union," far-right Minister without Portfolio Rehavam Zeevi told reporters after the meeting.

U.S. Secretary of State James Baker has made six trips to the Middle East to arrange peace

talks between Israel and its arch foe Syria, Lebanon, Jordan, Egypt and the Gulf states have also agreed to attend.

Mr. Zeevi said Palestinian support for last week's coup against Mikhail Gorbachev has another reason to delay the conference.

A number of Israeli ministers have pointed at praise for the coup attempt from Palestinians, Libya and Iraq as a sign of continuing antagonism to Israel.

Two other ministers in the 20-man cabinet have asked for a delay in peace talks since the bungled coup collapsed.

Science and Energy Minister Yuval Neeman and Housing Minister Ariel Sharon earlier this month voted with Mr. Zeevi against Israel's conditional assent to the talks.

Mr. Neeman Friday demanded Israel reconsider attending over what he said was Syria's opposition to Israeli participation in a regional water conference to be hosted by Turkey in November.

Mr. Sharon said Saturday the United States had reneged on the key point that Israel will not talk peace with the Palestine Liberation Organisation (PLO) because

it had refused to leave the talks if the Palestinian team declared affiliation with the PLO.

Prime Minister Yitzhak Shamir said in an interview Friday the failed coup spurred hopes for Middle East peace but it was difficult to determine if the conference would begin on time.

He demanded the Soviet Union, which is to co-sponsor a conference with the United States, resume full diplomatic relations with Israel before peace talks go forward. He said Arabs still had problems to resolve.

Gorbachev seen trying to save presidency in shrinking union

MOSCOW (Agencies) — Soviet President Mikhail Gorbachev made his first Sunday with top reformers as he is expected to prepare a major speech to the Supreme Soviet legislature Sunday to outline the nation's political future, his spokesman said.

Presidential spokesman Vitaly Ignatenko said the speech Monday would offer Mr. Gorbachev's first complete analysis of last week's failed coup d'etat and put

forward plans developed by Mr. Gorbachev, Russian Federation President Boris Yeltsin and Russian Prime Minister Ivan Silayev.

But now Mr. Gorbachev's greatest challenge is coming from the left, where Mr. Yeltsin has issued a series of decrees expanding his own power at the Kremlin leader's expense.

"Gorbachev will remain in office, but only as a figurehead — like the king of England," said Viktoriya Mitina, a radical close to Mr. Yeltsin.

In an apparent further fallout from the coup, Marshal Sergei Akhromeyev, former Soviet armed forces chief of staff and personal military adviser to Mr. Gorbachev, has committed suicide, a presidential spokesman said Sunday.

Marshal Akhromeyev, 68, formerly the chief of staff of the Soviet armed forces, had expressed hardline views on foreign and domestic relations, but was not known to have taken part in the coup attempt.

Other top officials deemed to have supported the coup or to have acquiesced have since stepped down, including Foreign Minister Andrei Kozyrev and Defense Minister Dmitriy Ustinov.

Mr. Yeltsin, who played the pivotal role in organizing resistance to the takeover, said Gorbachev's resignation as party general secretary nonetheless showed that he "had made his choice."

"I had never before seen him like that in terms of his attitude to decisions, to appointments," he said.

Polisario denies army has captured its HQ

ALGIERS (R) — Polisario guerrillas Sunday denied that Moroccan troops had captured the town they use as their headquarters in their battle for the independence of Western Sahara.

Hakim Ibrahim, Polisario representative of the Polisario, was earlier quoted by the official Algerian news agency APS as saying Moroccan troops were in Bir Laqlouj.

But the Polisario Front, in a statement issued later in Algiers, "formally denied information that the front's headquarters had fallen into the hands of Moroccan forces."

The statement said Moroccan forces were advancing towards waterholes where civilians were sheltering.

The United Nations is hoping to arrange a ceasefire in the former Spanish colony on Sept. 6 between the Polisario and Morocco, which administers four-fifths of the territory.

Yeltsin: Gorbachev must share blame

MOSCOW (R) — Russian leader Boris Yeltsin said Sunday that Soviet President Mikhail Gorbachev had to share the blame for last week's failed coup because it was the Kremlin leader's handpicked allies who organized the plot.

Mr. Yeltsin told a television interviewer that he supported Mr. Gorbachev's decision to step down as Communist Party chief and turn party property over to state authorities. But this, he said, did not make up for earlier errors in judgement.

"You cannot absolve him of his guilt in the coup," he said. "Who betrayed the officials? He did. Who confirmed them? He did. He was betrayed by his closest people. Almost all the cabinet members. They betrayed him. He chose them himself."

The eight-member emergency committee which tried to remove Mr. Gorbachev last week included his top appointees, among them the prime minister, defence and interior ministers and the head of the KGB security police.

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Mr. Yeltsin, who played the pivotal role in organizing resistance to the takeover, said Gorbachev's resignation as party general secretary nonetheless showed that he "had made his choice."

"I had never before seen him like that in terms of his attitude to decisions, to appointments," he said.

Sharaa: Soviet coup could have derailed Mideast talks

MOSCOW (AP) — Foreign Minister Foreign Sharaa said Sunday that last week's political upheaval in the Soviet Union would not impede a Middle East peace conference.

But he said the meeting is still out because of Israel's position on Palestinian representation.

In a wide-ranging interview, Sharaa also praised the Bush administration's role in the peace process.

Sharaa said there are no illusions that the current U.S. administration ground less about Israel's security threats or its preconditions, Mr. Sharaa said.

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new situation in the Soviet Union will not be an obstacle.

Mr. Sharaa said for the proposed U.S.- and Soviet-sponsored peace conference to be held, Israel must drop preconditions on who will represent the Palestinians. Israel has demanded that the Palestine Liberation Organisation (PLO) not have even an indirect role and that Palestinians from Arab East Jerusalem be excluded.

The foreign minister said East Jerusalem should be considered like the other occupied lands. He said Syria's view was that the Palestinians must decide what role they will play in the peace conference.

He noted that the Palestinians have made two major concessions towards a peace conference, agreeing that the PLO would not be directly represented and that Palestinians appear in a joint delegation with Jordan.

Mr. Sharaa maintained that Israel was trying to exclude the Palestinians. "This is unfair and will not lead to peace," he said.

He added he particularly ob-

jected to the argument that the PLO's pro-Israeli stand in the Gulf war should somehow diminish the Palestinians' right to self-determination.

"O.K., PLO Chairman Yasser Arafat made a mistake; but what about the Palestinians?" he said.

When it was pointed out that Israel says it objects to the PLO because its charter calls for the "destruction of Israel," Mr. Sharaa responded: "Israel wants to destroy the Palestinian people. This is not a one-way street."

He said Syria maintained the belief that the peace conference should be based on the land-for-peace principle expressed in U.N. Security Council Resolutions 242 and 338. This follows the legal principle prohibiting the acquisition of land by war, Mr. Sharaa said.

Asked if President George Bush's administration seemed more even handed in the Middle East conflict than past U.S. governments, Mr. Sharaa said: "The Bush administration, like any other, cares very much about the security of Israel. We have no

illusions about that."

But he added, "What is positive about this administration is that it's the first to talk about a comprehensive settlement when previous administrations talked about partial solutions."

He said the Bush administration "also has rightly discovered that it cannot gain respect and credibility if it does not address the Arab-Israeli conflict and the Israeli occupation in a serious way."

Otherwise, he said, Arabs will see the U.S. position against Iraq as an attempt to destroy an Arab country and not a stand against a violation of international law.

Mr. Sharaa compared Israeli Prime Minister Yitzhak Shamir's refusal to give up occupied territory with President Saddam Hussein's rejection of U.N. resolutions calling for Iraq's withdrawal from Kuwait. But he added the world did not share that view.

"There is no international consensus against Saddam Hussein. But there will be one, we hope, in the future," Mr. Sharaa said.



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Iran: Turkey should leave Iraq

NICOSIA (R) — Iran says Turkey should withdraw its troops from northern Iraq where they are establishing a buffer zone to deter cross-border raids by Kurdish guerrillas.

In a wide-ranging interview published Sunday in Iran's Jomhuri Eslami newspaper, Iranian Foreign Minister Ali Akbar Velayati said Iraq's territorial integrity had to be preserved.

Iran was the key to regional security, he declared.

Mr. Velayati said Iran, which held vast areas of Iraq during the eight-year Iran-Iraq war, denounced the occupation of Iraqi land "whether it is (by) Turkey or another country," the Iranian news agency IRNA reported.

"Disintegration of Iraq will not be to the advantage of any country, even Turkey," the paper quoted him as saying.

Turkey, which sent troops into northern Iraq earlier this month to seek out rebel bases, is creating a buffer zone to protect itself from incursions by guerrillas of the Kurdish Workers Party (PKK) who have been fighting for autonomy for Turkish Kurds since 1984.

Commenting on the presence in Turkey of a U.S.-led rapid reaction force, charged with protecting Iraqi Kurds, Mr. Velayati

said Iran opposed the presence of foreign forces in the region.

Tehran, which denounced the Iraqi invasion and seven-month occupation of Kuwait, was equally damning in its criticism of the presence of Western forces in the Gulf who led operations to recapture the emirate at the end of February.

IRNA, received in Cyprus, said Mr. Velayati stressed that Iran had a major role to play in the security of the Gulf and said the six-nation Gulf Cooperation Council (GCC) was well aware of this.

"They (the GCC states) have somehow come to the conclusion that they must seek Iran's cooperation, or else it will be impossible to defend regional security," Mr. Velayati was quoted as saying.

The GCC states — Saudi Arabia, Kuwait, Oman, Bahrain, Qatar and the United Arab Emirates — have a mutual defence pact but it failed to deter Iraq from invading Kuwait.

Soon after Iraq's armies left Kuwait, the emirate's leaders drew up a declaration with their key Arab allies Egypt and Syria aimed at forming a pan-Arab defence force to fill the vacuum caused by the departure of West-

ern forces from the region.

The proposed pact has collapsed following several months of wrangling over the cost, size and role of the force.

The Gulf Arab states bankrolled Iraq during the eight-year Iran-Iraq war which was halted by a U.N.-brokered ceasefire three years ago.

Iraq and Iran made peace soon after Iraq invaded Kuwait.

Relations between Tehran and Baghdad deteriorated after the Gulf war when Iraq accused Iran of backing an abortive Shiite rebellion in southern Iraq.

A high-level Iraqi team is presently in Iran on a fence-mending exercise.

IRNA said issues being discussed included the dredging of the Shatt Al Arab waterway, the demarcation of the border between the two countries and the fate of prisoners of war still held following the end of the Iraq-Iran war.

Kuwait's Ahmadi refinery to resume operation

AHMADI, Kuwait (R) — Kuwait's biggest refinery, wrecked by the Gulf war, is set to resume work this week, enabling the emirate to halt imports of almost all refined products, officials said Sunday.

Reopening the Ahmadi refinery will be a milestone in Kuwait's recovery from Iraq's invasion of Aug. 2 last year, when the refinery had a capacity of 370,000 bpd.

The officials said it would open within the next few days but could not be more precise.

Deprived of staff and crude, it ceased functioning when Iraq invaded and was damaged in the U.S.-led campaign that freed the emirate in February this year.

Initial output would be 110,000 barrels per day (bpd), enough to meet domestic demand for diesel, jet fuel, kerosene and fuel for power and desalination plants.

But the emirate will still have to import small quantities of petrol, the officials said.

Exports of refined products will resume at the end of the year when the Mina Al Abdullah refinery, south of Ahmadi, Kuwait's oil capital goes back on stream.

Workers at Ahmadi are putting the final touches to the crude distillation unit (CDU) Number 4, the first of the three units to become operational.

Renovation work on the other two units, scheduled to go on stream in June 1992, has not even started.

One has a completely wrecked control room and the chimneys of the others are riddled with bullet and bomb holes.

"CUD Number 4 will enable us to meet most of the local demand. There will be little need for imports of refined products," said Adel Al Sharhan, loss prevention manager at Ahmadi refinery.

Iraqi troops barricaded themselves inside the refinery during fighting with allied troops.

Pipelines, which once carried refined products to waiting ships at the south pier, were knocked out.

The north pier, now an inlet for petroleum imports, remains intact and will in future be used to export refined products.

Mr. Sharhan said debris and unexploded ammunition from the war had hampered repairs. "We spent four months clearing ordnance."

The two CUDs at Mina Al Abdullah emerged from the war unscathed.

Iraqi Kurds discuss draft autonomy pact

BAGHDAD (R) — Iraqi Kurdish leaders are meeting in the northern resort of Shaqlawa to decide whether to accept an autonomy accord with Baghdad after four months of talks, the pro-government Kurdish daily Al Iraq said Sunday.

It said the Iraqi Kurdistan Front, led by Massoud Barzani, started discussing a draft pact "to arrive at a final agreement which will consolidate national unity and the autonomous rule in the Kurdistan region."

Mr. Barzani, leader of the Kurdish Democratic Party and head of the eight-party front, told Reuters in the northern town of Diyanah Wednesday: "I will vote for peace. I will vote for a negotiated settlement."

Iraqi leader Saddam Hussein invited Kurdish leaders to Baghdad for autonomy talks in April. Jalal Talabani, leader of the Patriotic Union of Kurdistan, started the talks and Mr. Barzani, whose name is synonymous with Kurdish nationalism, then took the lead in the negotiations.

President Saddam's deputy, Izzat Ibrahim, led the government negotiating team and said

last week the pact was a "reality."

But hundreds of thousands of Kurds who fled to the Turkish and Iranian frontiers after a rebellion was crushed want to know what deal is struck before deciding to return to their homes.

Iraq's National Assembly Saturday seemed to have removed one obstacle by approving changes to a law which will allow new political parties.

The assembly dropped a provision banning any party whose ideology clashed with that of the ruling Baath Party, which stands for socialism, Arab unity and a hard line on Israel.

No Kurdish party calls for Arab unity, but the new clause in the law stipulates that any party should not "adopt a hostile stand to the legitimate aspirations of the Arab Nation... to achieve Arab solidarity and unity."

It also changed a provision banning any party from establishing contacts with any "foreign side" to any "foreign government" in a move to allow some Kurdish parties to maintain contacts with non-Iraqi Kurdish groups.

Turkish guide said to have killed journalists

LONDON (AP) — British newspapers reported Sunday that a Turkish man has admitted killing two British Broadcasting Corporation (BBC) journalists he escorted into northern Iraq in March.

But the reports said Hashim Ciftci had no information about Rosanna Della Cava, the third member of the BBC Television crew who is missing.

A Foreign Office spokesman said two Scotland Yard detectives returned from Turkey and northern Iraq late last week and have submitted a report of their investigations into the deaths of BBC cameraman Nick Della Cava and his brother-in-law, soundman Charles Maxwell.

The spokesman refused to give details of the report and Scotland Yard declined to comment.

But the Sunday Times and the Observer newspapers reported that Mr. Ciftci had confessed to the killings to the Scotland Yard detectives.

The bodies of the two men were found in northeastern Iraq on May 23 by Royal Marines who flew the bodies back to Britain.

The newspapers reported that Mr. Ciftci said he did not harm Mr. Della Cava's wife, Rosanna, who was last seen by journalists around March 30 in Dohuk, Iraq, with Mr. Maxwell and her husband.

The Observer identified Mr. Ciftci as a 23-year-old smuggler, while the Sunday Times described him as an 18-year-old guide.

Both papers said he was being held by the Kurdistan Democratic Party.

Mr. Ciftci reportedly abandoned Mrs. Della Cava in the mountains of northern Iraq after he shot dead the two men following an argument over his fees. The Sunday Times said Mr. Ciftci shot the men with the semiautomatic rifle the team carried for their protection.

The Sunday Times said that when he returned 12 hours later to rob the dead men of their cameras and money Mrs. Della Cava was gone.

The Observer said Kurdistan Democratic Party officials believe Mrs. Della Cava, 31, may have been killed by animals.

"We are still hopeful that Rosanna is alive. We just hope and pray that she got in with another lot of Kurds who looked after her," the Sunday Times quoted her mother, Marigold Curing, as saying.

The BBC last heard from the crew on March 23 when they were in Yusekova, Turkey and planning to cross the border into northern Iraq to cover the Kurdish rebellion.

MIDDLE EAST NEWS IN BRIEF

Turkish parliament calls early elections

ANKARA (AP) — Parliament agreed Saturday to hold elections on Oct. 20, more than a year before the two-month-old government of Prime Minister Mesut Yilmaz was required to go before the voters. Legislators voted 363-5 during an emergency session to approve Mr. Yilmaz' request to move up the elections required by the end of 1992. Eleven deputies abstained, and the rest of the 460-member parliament did not attend the vote. Political analysts have said Mr. Yilmaz is trying to take advantage of momentum from his June election to revive the flagging fortunes of his governing Motherland Party. The party, which swept to power in 1983, holds a 275-seat legislative majority but has been hurt by corruption scandals and chronic 70 per cent inflation. Opinion polls put its voter support at less than 20 per cent. "We trust ourselves. We are heading for the elections to reaffirm our power," Mr. Yilmaz told the parliament. Since being elected, the prime minister has set aside economic belt-tightening measures in favour of shorter-term alternatives. Some analysts say his generous pay hikes for civil servants and workers could fuel triple-digit inflation by the end of the year.

9 die, 5 wounded on Egypt-Libya highway

CAIRO (AP) — Nine people were killed and five wounded in two separate accidents on the Egypt-Libya highway which has become very crowded after the two countries opened up their borders and cancelled customs on goods earlier this month. Daily Al Ahram reported in its early Sunday edition that the first accident involved a collision between a pickup truck and a tour bus on their way to Libya. Five people died and two were wounded in that accident. In the second accident, a private car collided with a truck, killing four persons and wounding three. The vehicles were also on their way to Libya. Both accidents took place Friday night, the newspaper reported. Relations between Egypt and Libya were badly strained since the early 1970s. Libyan leader Muammar Qadhafi resented then-President Anwar Sadat's rapprochement with the United States and preliminary steps towards Israel which culminated in their peace treaty in 1979. President Hosni Mubarak and Colonel Qadhafi ended their estrangement in 1988 and now meet regularly. Mr. Mubarak has rejected a union which Mr. Qadhafi envisions between their two countries. But earlier this month, Mr. Mubarak agreed to a request by Mr. Qadhafi and banned all border and custom procedures, allowing Egyptian and Libyan nationals and goods free movement into the other country. This has increased pressure on the Egypt-Libya highway, a lot of which is made up of only two lanes.

5 dead, 35 wounded in Egyptian explosion

CAIRO (AP) — Five workers were killed and 35 were wounded Saturday when a boiler blew up, the force of the explosion throwing it 70 metres in the air. Daily Al Ahram newspaper said in its early Sunday edition that the explosion took place in a printing factory in the Mediterranean port of Alexandria. It said the preliminary estimates of damages were eight million pounds (\$2.4 million). Al Ahram said the probable cause of the explosion was a malfunction in the operating button of the boiler which increased the pressure. The boiler's alarm was not functioning.

Ukraine to establish ties with Israel

TEL AVIV (AP) — A minister from the newly declared independent Ukraine said Sunday he will press his government to set up diplomatic ties with Israel soon. Uri Scherbak, the Ukrainian environment minister, said Ukraine plans to "intensify as much as possible the process of developing its ties with foreign nations." "I hope that one of the first acts will be recognition of the state of Israel and immediate establishment of diplomatic ties. I will decisively support this." The Soviet Union cut diplomatic relations with Israel following the 1967 war. The two countries now maintain consular ties. Israel has not recognised any of the Soviet republics that have declared themselves independent. The Soviet Union's second largest republic declared independence Saturday and scheduled a referendum to ratify the parliament's decision. Mr. Scherbak, interviewed on Israel Radio by telephone from the Ukrainian capital of Kiev, said the independence declaration was a "logical outcome" of the short-lived Soviet coup. "The special thing about this coup was that USSR President (Mikhail) Gorbachev was taken prisoner and kept on the Ukrainian territory and on the territory of the Crimean autonomous republic. So Ukraine is in part responsible. This event showed that Ukraine was totally defenceless in front of aggression by the military, the KGB and the plot-makers," he said.

President of Djibouti arrives in Sudan

KHARTOUM (AP) — Djibouti's President Hassan Gouled arrived Sunday on a two-day official visit for talks with Omar Hassan Al Bashir on bilateral relations and African issues. The official Sudan News Agency (SUNA) said that Mr. Gouled was accompanied by his defence and foreign ministers. Mr. Gouled is returning a visit by General Bashir to Djibouti recently aimed at promoting bilateral relations.

Soviet Jew dies while trying to escape custody

CAIRO (AP) — A 31-year-old Soviet Jewish immigrant died Saturday night as he was trying to escape from policemen finishing procedures for his deportation to Israel, a police source said Sunday. Israel's Ambassador Ephraim Doweik presented an official protest to the Egyptian Foreign Ministry about the incident and an Israeli embassy spokesman said the immigrant could have committed suicide. The police source, who declined to be named, said Egyptian authorities had denied Gennady Shainsky's request for political asylum and were finalising his deportation papers at the downtown passports and immigration department. "He slipped away from the policemen and tried to jump from the first floor balcony to the street to escape," the police source said. "He slipped as he was jumping and fell on his head and died." Israeli embassy spokesman Isaac Bar-Moshe told the Associated Press that Egyptian authorities had kept the embassy uninformed about the whole incident. "We were not informed when he was arrested, or after he committed suicide or whatever it was. No official information was made available to us," Mr. Bar-Moshe said. "The ambassador has gone to the foreign ministry to protest what happened."

Polisario denies report

(Continued from page 1)

But fighting in the 15-year conflict has flared this month after a lull of nearly two years. Both Rabat and the Polisario have sent envoys to U.N. Security Council members to discuss the peace plan. Morocco wants the process postponed.

The ceasefire is to be followed in January by a referendum in which Western Sahara inhabitants will choose between independence or integration with Morocco.

Mr. Hakim was quoted earlier by APS as saying: "Moroccan forces have penetrated into the Saharan town of Bir Lahlou and hundreds of civilians have fled the region into waterless areas where they risk dying of thirst."

Bir Lahlou is 40 kilometres north of the Mauritanian border in the northeast corner of the territory and outside Moroccan defensive walls that run for 1,500 kilometres along the Algerian and Mauritanian borders.

The Rabat government says Moroccan troops are carrying out mopping up operations against the guerrillas in a woman's land.

U.N. Secretary General Javier Perez de Cuellar told journalists Sunday on arriving in Geneva that he would like the Sept. 6 ceasefire date to hold despite the fighting.

Pace of Soviet change could aid Afghan settlement

ISLAMABAD (AP) — The government said Sunday the stunning pace of change sweeping the Soviet Union help bring a settlement to the 13-year-old war in Afghanistan.

Against the backdrop of the dramatic upheaval in the Soviet Union, a meeting between Pakistan, Iran and Afghan guerrillas fighting to topple successive Communist-style governments in Kabul will begin Tuesday in Tehran.

"The events in the Soviet Union can't hurt the peace talks and could possibly help them," Foreign Secretary Shaharyar M. Khan told reporters.

Russian Republic President Boris Yeltsin's soaring influence in the Soviet Union is seen by some Afghans as a catalyst that could end the war.

"There is a greater possibility of direct negotiations between the Soviet Union and the Mujahedeen now," said Mr. Mihaj, a spokesman for the guerrilla groups based in Pakistan. Like most Afghans, he uses only one name.

The resistance wants direct talks with Moscow, refusing to negotiate with the Kabul government that it labels "a Soviet puppet."

Last month, the Russian Republic's foreign minister, Nikolai Kozyrev, met guerrilla leaders in

Pakistan. But sources said the two sides had only enough time to re-state their positions before the hour-long meeting ended.

Mr. Yeltsin opposed Moscow's decision to send the Red Army to Afghanistan in December 1979 and lobbied fiercely for its withdrawal nine years later.

Earlier this year, he even offered to hold direct talks with insurgents and issued notice to Moscow that the aid pipeline for the Russian Republic to Kabul was drying up.

The Kremlin sends more than \$300 million in military and humanitarian aid to Kabul, most of it from the Russian Republic.

The biggest stumbling block in the latest diplomatic effort to find a political solution to Afghanistan has been the post-war role of Afghan President Najibullah.

The Tehran talks are aimed at bringing the feuding guerrilla factions together to come up with a peace plan. But at least one Pakistan-based group has refused to attend the talks to protest what it claims is Iran's attempt to export its Shiite Islamic revolution to Afghanistan.

Most Afghans belong to the Sunni sect of Islam.

The talks are based on a five-point U.N. plan that calls for a simultaneous arms cutoff and ceasefire and intra-Afghan dialogue.

U.N.-brokered hostage exchange complicated by demands

BEIRUT (R) — Demands by Iran and Israel have slowed U.N. efforts to broker a swap of Western hostages in Lebanon for hundreds of Arabs held by the Jewish state, diplomats said Sunday.

They said they had heard of no breakthrough since kidnappers freed Briton John McCrath and American Edward Tracy in Beirut and proposed a swap to U.N. Chief Javier Perez de Cuellar two weeks ago.

"There is something wrong somewhere," said a diplomat close to the Western hostage issue. "Various parties are interfering in an attempt to win something for themselves by these contacts."

"All of them cannot possibly be satisfied. Some demands are going to have to be dropped entirely, or reduced, or else this process will gradually run into a dead end," the diplomat added.

The diplomats said problems included Iran's renewed demand for evidence of the fate of four Iranians stopped at Lebanese Forces (LF) militia checkpoint north of Beirut in 1982.

LF leaders have said they were all killed. Some diplomats said that they believed the four bodies could not be recovered.

"Iran knows they are dead but raised this again for domestic reasons and as part of the negotiating game," said a senior Western envoy. "I hope Tehran will drop this issue in the end."

The pro-Iranian kidnappers who are believed to hold at least seven Westerners in Lebanon demand that Israel release hundreds of Arab and Palestinian prisoners in exchange for the hostages.

But another group of kidnappers holding two German hostages wants to secure the release of two Lebanese brothers jailed in Germany as its payment for taking part in a U.N.-brokered swap.

Pro-Iranian Muslim fundamentalist sources in Beirut say that no more Western hostages will be freed until Israel sets free at least some of its Arab prisoners as a sign of goodwill.

Iranian President Akbar Hashemi Rafsanjani accused the United States and Israel Saturday of delaying a swap by failing to respond with goodwill to Mr. McCrath's and Mr. Tracy's release.

Pro-Iranian political sources said Mr. Rafsanjani appeared to be involved in a balancing act — pushing for a gesture to keep the kidnappers cooperative without

closing the door on an exchange.

"The United States is not using its influence for the release of the hostages. Therefore, we suspect the U.S. as well as Israel... the U.S. and Israel are under question," he said.

Israel wants seven of its servicemen missing in Lebanon or their remains included in an exchange. But meeting Israel's demand for evidence of their fate before even a partial release is a problem to be solved.

The diplomats said a method, acceptable to both Israel and the groups holding the Israelis or their remains, had to be set up for any evidence to be handed to the Jewish state.

An Israeli defence ministry spokesman said Saturday that Israel had received no new information about the servicemen.

A Muslim fundamentalist leader in Beirut said last Sunday pro-Iranian militants were seeking information about Ron Arad, a navigator seen alive after his

plane was shot down in Lebanon in 1986.

But there is also a complete lack of news about a three-man Israeli tank crew, which disappeared in a battle in June 1982.

The Democratic Front for the Liberation of Palestine has the body of one Israeli but has demanded that Palestinian detainees in Israel are included in any prisoner-for-hostages exchange.

Relatives of prisoners taken by the LF during Lebanon's civil war have accused the militia of recently passing them on to Israel. They want them included in negotiations for a swap.

Pro-Iranian political sources said they were awaiting the return to Beirut of a top delegation from the pro-Iranian Hizbullah (Party of God) which arrived in Tehran eight days ago.

Hizbullah denies any involvement in hostage-taking but is believed to be an umbrella for the kidnappers of Westerners.

The team is led by Hizbullah Secretary-General Sheikh Abbas Musawi and has discussed with Iranian officials chances for an exchange as well as the movement's future policies in Lebanon.

Swiss Deputy Foreign Minister Klaus Jacobi, believed to be acting for Mr. Perez de Cuellar, discussed the hostage problem with officials in Tehran on the same day the Hizbullah team arrived.

Diplomats said Mr. Perez de Cuellar had also charged U.N. envoy Giamdemonico Picco with clarifying the demands of some of the parties and working out those vital to an exchange, probably to be overseen by the International Committee of the Red Cross.

An Israeli foreign ministry spokesman said Saturday Mr. Picco visited Israel in the past week for talks on a hostage swap.

Israel Television said Mr. Picco apparently intended to travel on to Syria and Iran.

JORDAN TELEVISION

Tel. 77311-19

PROGRAMME TWO

18:00 Les Grandes Batailles du passé
18:00 News in French
19:15 Weekly Sports Magazine
19:30 News in Hebrew
20:00 News in Arabic
20:30 Surgical Spirit
21:10 Murder she wrote
22:00 News in English
22:30 Over My Dead Body

PRAYER TIMES

04:00 Fajr
06:02 (Sunrise) Dhuhr
12:57 Dhuhr
16:15 Asr
19:13 Maghrib
20:35 Isha

CHURCHES

St. Mary of Nazareth Church Swedish Tel. 810740
Assemblies of God Church, Tel. 632785
St. Joseph Church Tel. 624590
Church of the Annunciation Tel. 637440
De la Sulte Church Tel. 661757
Terresanta Church Tel. 622666

Church of the Annunciation Tel. 623541
Anglican Church Tel. 625383, Tel. 628543
Armenian Catholic Church Tel. 771331
Armenian Orthodox Church Tel. 771351
Syrian Orthodox Church Tel. 771751
Assman International Church Tel. 683326
Evangelical Lutheran Church Tel. 811295
The Church of Jesus Christ of Latter-day Saints Tel. 623824, 649222
Church of Nazareth Tel. 675691

WEATHER

Bulletin supplied by the Department of Meteorology.

Normal summer weather will prevail and winds will be northerly moderate. In Aqaba, winds will be northerly moderate and seas calm.

Amman 19 / 31
Aqaba 25 / 38
Deserts 20 / 36
Jordan Valley 23 / 37

Yesterday's high temperatures: Amman 32°C

JORDAN TIMES DAILY GUIDE AND CALENDAR

June 31, Aqaba 37, Humidity readings: Amman 45 per cent, Aqaba 39 per cent.

USEFUL TELEPHONE NUMBERS

NIGHT DUTY

AMMAN:

Dr. Aded Amari 512148
Dr. Jaziri Tahir 797110
Dr. Issam Al Abbi 679666
Dr. Walid Al Masri 675485
Firas pharmacy 661912
Ferdows pharmacy 788336
Al Asena pharmacy 626672
Al Salem pharmacy 636730
Yacoub pharmacy 644945
Shmoussi pharmacy 637660

IRBID:

Dr. Fadiya Al Jubour (—)
Al Sharrat pharmacy 275825

ZARQA:

Dr. Hisham Hiyas (—)
Khalifeh pharmacy 985417

EMERGENCIES

Food Control Centre 637111
Civil Defence Department 661111
Civil Defence Emergency 630341
Rescue Police 192, 621111, 637777
Fire Brigade 891228
Blood Bank 75121
Highway Police 84402
Traffic Police 86390
Public Security Department 63021
Hotel Complaints 605800
Price Complaints 661776
Complaints 874657
Amman Municipality 787111
Telephone Information (directory assistance) 121
Overseas Calls 010230
Central Amman Telephone 623101
Repairs 623101
Abdali Telephone Repairs 661101
Jordan Television 773111
Radio Jordan 774111
Water Authority 680100
Jordan Electricity Authority 815615
Electric Power

HOSPITALS

AMMAN:

Hussein Medical Centre 813813/22
Khalidi Maternity, J. Amn 642816/2
Akhil Maternity, J. Amn 642416/2
Jabal Amman Maternity 642362
Malas, J. Amman 636140
Palestine, Shmeisani 664171/4
Shmeisani Hospital 669131
University Hospital 645845
Al-Mawardi Hospital 667227/9
The Islamic, Abdali 661227/7
Al-Abdi, Abdali 664164/6
Jalali, Al-Muhajirin 77701/5
Al-Bashir, J. Astarah 775111/26
Army, Marja 891611/5
Quada Al-Hospital 662403/5
Amal Hospital 674135

ZARQA:

Zarqa Gov. Hospital (09)983323
Al-Mawardi Hospital (09)900560
Ras Sisa Hospital (09)986732
Al Hikma Modern Hospital (09)990990

IRBID:

Princess Basma Hospital (02)757555

Other Carriers (Terminal 2)

13:00 Cairo (MS)
14:05 Abu Dhabi, Doha (GF)
22:00 Paris (AF)

DEPARTURES

Royal Jordanian (RJ) Flights (Terminal 1)

07:30 Beirut (RJ)
12:00 Dubai (RJ)
12:30 Montreal New York (RJ)
12:40 Istanbul (RJ)
13:15 London (RJ)
13:25 Frankfurt (RJ)
14:00 Cairo (RJ)
14:30 Moscow (RJ)
19:00 Amsterdam, Montreal (RJ)
19:00 Doha (RJ)
21:15 Abu Dhabi (RJ)
21:30 Bahrain, Doha (RJ)
22:15 Dubai, Muscat (RJ)

Other Flights (Terminal 2)

09:15 Beirut (MS)
14:05 Cairo (MS)

MARKET PRICES

Upper/lower price in Jds per kg.

Apple 600 / 550
Apricots 700 / 600
Banana 500 / 450
Banana (Mukammal) 450 / 400
Beans 140 / 100
Cabbage 420 / 250
Carrots 280 / 220
Cucumbers (large) 140 / 100
Cucumbers (small) 280 / 220
Eggplant 700 / 550
Garlic 800 / 750
Grapes 300 / 250
Grapefruit 350 / 280
Lemon (green) 500 / 450
Lemon (yellow) 400 / 300
Marrow (large) 200 / 150
Marrow (small) 400 / 300
Okra 220 / 180
Onion (dry) 220 / 180
Orange 400 / 350
Peaches 800 / 550
Pineapple 400 / 350
Pepper (hot) 240 / 180
Pepper (sweet) 320 / 280
Potato 320 / 280
Sage 600 / 500
Sweet melon 250 / 200
Tomato 160 / 120
Watermelon 160 / 120

10,385 students admitted by universities

AMMAN (Petra) — Jordanian universities accepted 10,385 students out of 16,661 students this year who applied for admission, including those admitted in the evening studies programme and the faculty of arts at Yarmouk University, according to Mohammad Maqousi, head of the Unified Office for Coordinating University Admissions.

Dr. Maqousi said that the four universities, the University of Jordan, Yarmouk University, Mutah University and Jordan University of Science and Technology (JUST), accepted 9,115 students in their regular studies programme. The University of Jordan accepted 3,971 students, Yarmouk University accepted 3,227 students, Mutah University accepted 860 and JUST accepted 976 students. Amman College for Applied Engineering accepted 81 students, Dr. Maqousi said.

Dr. Maqousi pointed out that 17.4 per cent of the total university seat went to students whose fathers worked or are working for the armed forces, the Education Ministry as well as the government allocations.

He added that the minimum grades the universities approved for admission to the four Jordanian universities was 71.9 per cent.

He said 16 students who got 80+ grades were not admitted because of their poor selection of major subjects of study. He added that 436 applications were not considered for admission.

Industry fair to become annual event

AMMAN (Petra) — Many Arab and foreign businessmen concluded deals for the purchase of Jordanian industrial products during the two-week industrial fair which ended Sunday, according to an announcement by Rima Khalaf Humeidi, director general of the Jordanian Commercial Centres Corporation (JCCC), which organised the exhibition.

Dr. Humeidi said that the fair, which was visited by many visitors from Jordan and abroad, offered a chance for importers to closely examine types of high-quality products on display at the fair, which was organised to mark the 39th anniversary of His Majesty King Hussein's accession to the throne.

The fair, which was held at Marj Al Hamam district southwest of here, will continue to be held as annual event to attract visitors from Arab and foreign countries, Dr. Humeidi said.

He added that Minister of Trade, Industry and Supply Ali Abul Ragheb has instructed the JCCC to start preparations for setting up a permanent international fair in Amman.

The fair, which will display various Jordanian products, is expected to be ready in three years, Dr. Humeidi said.

A total of 138 local firms participated in the two-week fair, which displayed samples of leather, plastic, metal, electrical, engineering, chemical products, handicrafts, cosmetics, cardboard, stationery, construction and food processing materials, furniture, doors, kitchens and other products which attracted visitors' attention, according to Dr. Humeidi.

The two-week fair was opened by Deputy Prime Minister and Minister of Transport Ali Sabehat, who made an address at the opening ceremony pledging the government's backing to the industrial sector.

By boosting the national industry, he said, the government hopes to find work for more Jordanian citizens to reduce unemployment at a time when foreign labour markets are not open to Jordanian job-seekers, the minister said.

WHAT'S GOING ON

The following listings are compiled from monthly bulletins and the daily Arabic press. Readers are asked to verify the listed time and place with the concerned institutions.

EXHIBITION:
An art exhibition by Ibrahim Abul Rabh at the Royal Cultural Centre.



KING ATTENDS GRADUATION: His Majesty King Hussein, the supreme commander of the Armed Forces, Sunday attended the graduation of a new batch of combat pilots from King Hussein Air Academy. The King was accompanied by Armed Forces Chief of Staff General Fathi Abu Taleb and Air Force Commander Hassan Shurud. Attending the ceremony were His Royal Highness Prince Abdullah bin Al Hussein, Royal Court Chief Sherif Zaid Ben Shaker, a number of cabinet ministers, the governor of Mafrq, the

Commander of the Yemeni Air Force, who is currently on a visit to Jordan, directors of the Public Security and Civil Defence departments and a number of senior Armed Forces officers. The King and the audience watched performances presented by Air Force pilots. At the end of the ceremony, King Hussein decorated graduates with the Air Force Wings and presented meritorious awards to those excelling in training. The King then shook hands with graduates and their parents and congratulated them on their success.

Key details of foreign operations of Petra Bank to be exposed in court

By a Jordan Times Staff Reporter

AMMAN — Some of the key details of the clandestine foreign operations of the collapsed Petra Bank are expected to be revealed Saturday when a senior Jordanian banking executive testifies in the Military Court trying the case.

Sources and banking circles closely following the hearings at the Military Court at Marka say that the intricacies of how Petra Bank channelled Jordanian funds abroad through carefully concealed operations in violation of Jordanian regulations could be expected to be presented to the court by Maher Waked, executive director of the Bank of Jordan, who was a member of a 10-member "experts committee" which probed Petra Bank affairs for seven months since January of last year.

Officials have said that Petra Bank had taken loans at low interest from the Central Bank of Jordan (CBJ) and transferred the funds to support operations outside, which mostly benefited senior Petra Bank administration officials rather than the bank itself.

Petra Bank administration officials are also accused of encouraging Jordanians to speculate in commodity and precious metals markets in Europe. The Kingdom's regulations prohibit Jordanians from engaging in such activities.

Testimonies taken from two witnesses so far in the case —

by far the worst scandal to hit Middle Eastern banking since the 1966 Inter-Bank case in Lebanon — have been limited to mostly domestic operations of Petra Bank, once the second largest commercial bank in Jordan.

First witness Yousef Salem testified mostly on Petra Bank dealings in real estate — how the bank acquired land and property through clandestine deals and against defaulted loan repayments.

(A car owned by Mr. Salem was burnt in what appeared to be deliberate arson shortly after he testified in court. It is not known whether it has been formally established that the incident was linked to his testimony or role in the investigation committee.)

Second witness Hajjaj Labadi's presentation centred around what banking experts describe as imprudent credit facilities extended by Petra Bank — loans granted against collaterals falling far below acceptable standards — and unaccounted/unguaranteed advances to favoured customers and members of the family of Ahmad Chalabi, who founded and operated the bank until its takeover by the Jordanian government in August 1988.

Both Mr. Salem and Mr. Labadi are officials of the Arab Bank who were temporarily assigned to the Petra Bank investigation panel. Dr. Waked and other members of the committee are also hand-picked experts with proven excellence in various fields of

banking, according to banking executives.

Dr. Waked confirmed Sunday that his testimony will deal with mostly foreign operations of Petra Bank but declined further comment.

Forty-eight witnesses are expected to be called to testify in court.

Embezzlement of public money, violations of Jordanian banking regulations and speculation with the Jordanian dinar are the charges faced by the defendants in the 100-plus cases related to the collapse of Petra Bank, which was placed under liquidation in May of last year.

Mr. Chalabi and several members of his family as well as senior executives in the Chalabi administration of Petra Bank including the general manager's secretary, chief dealer in the foreign exchange department and three senior "managers" lead the list of defendants in the case.

Mr. Chalabi, who repeatedly denied the charges but refused to return to Jordan to make his submission in court, and several other key defendants in the case are being tried in absentia. Interpol has been contacted by the authorities seeking their extradition from countries where they are believed to have sought shelter.

The Petra Bank case remains the only case to be tried by the Military Court under an exemption granted in a Royal decree which abolished the 24-year-old martial law in Jordan in June of this year.

Jordan, Iraq discuss cooperation in religious affairs

AMMAN (Petra) — Awqaf and Islamic Affairs Minister Raef Nijem and his Iraqi counterpart, Abdullah Fadel, Sunday chaired a meeting for Awqaf officials from both countries during which they reviewed bilateral cooperation and discussed possibilities of investing in Waqf projects in both countries.

The two sides stressed the importance of exchanging visits of scholars, preachers and guides with a view to benefiting from the experience of both countries in areas like Islamic Da'wa, preaching, guidance and teaching of Islamic law.

The two sides also agreed to adopt united stands during conferences and symposia. They agreed to organise an annual exhibition of Islamic books, publications and magazines and to exchange information programmes and television production in the cultural and religious areas.

The two sides further agreed to offer scholarships for studying Islamic law at universities in either country.



Raef Nijem

Speaking on the sidelines of the meeting, Mr. Nijem said that Jordan maintained a unique relationship with Iraq, particularly in the area of Awqaf, and added that this unique relation was a true reflection of the strong ties between both the Jordanian and the Iraqi peoples.

He voiced hope that the Iraqi people would be able to overcome the difficulties it is facing

now. The Iraqi minister praised Jordan for enhancing the spirit of fraternity, love and cooperation. He said that Iraq was currently facing a severe economic blockade and that lives of children in Iraq were jeopardised as a result of the embargo on Iraq.

Mr. Fadel appealed to all Islamic and international organisations and bodies to lift the embargo on Iraq and to help save more than 300,000 Iraqi children who now face death because of lack of medicine and foodstuff. The minister added that more than 77,000 Iraqi children were now suffering from cholera.

The talks were attended on the Jordanian side by the Awqaf ministry's acting secretary general, the director of preaching and guidance and other senior ministry officials. On the Iraqi side, the talks were attended by the president of Saddam Islamic University, the director of the ministry's Public Relations Department and the Iraqi charge d'affaires in Amman.

Libya considers employing Jordanians

ZARQA (J.T.) — The Jordanian government is holding contacts with Libyan officials over the prospects of giving employment to Jordanian nationals in Libya as the government continues to seek employment for Jordanian job-seekers in the Kingdom and in other Arab countries. Labour Minister Abdul Karim Al Dughmi said Sunday.

The government is determined to deal with the unemployment issue in Jordan in implementation of directives by His Majesty King Hussein to the Jordanian government, the minister said in an address at a ceremony for the graduation of 200 trainees from the Vocational Training Centre at Al Hashemieh in the Zarqa Governorate.

Libya has employed Jordanian doctors and teachers over the past two years, which saw progressive strengthening of ties between the two countries.

Mr. Dughmi told the ceremony that his ministry, in cooperation with the employment offices around the country, has succeeded in controlling the process of substituting foreign workers with Jordanian job seekers and continues to urge graduates of schools, community colleges and universities to take up available jobs.



Abdul Karim Al Dughmi

In a statement published in Al Ra'i newspaper Sunday, Mr. Dughmi was quoted as saying that the rate of unemployed Jordanians has now reached 20 per cent of the total work force in the Kingdom following the return to the country by hundreds of thousands of expatriates.

Neither the government or the private sector can single-handedly effectively deal with the unemployment question, which has become a national issue, the minister was quoted as saying.

Mr. Dughmi announced that starting in the coming month, he

will be touring various provinces to talk to school and university graduates and community officials about the need to accept available jobs and will try to direct students towards vocational training.

The Ministry of Labour has decided to provide the names of the Vocational Training Centre's graduates to the Civil Service Commission (CSC), which normally organises the employment of workers in government offices so as to give them priority in employment, Mr. Dughmi said. He said that these graduates will be also given priority in obtaining loans should they be interested in starting income-generating projects under a Ministry of Labour-sponsored programme.

He added that the project, which is being financed by the Employment and Development Fund recently created by the government, aims to primarily initiate medium-sized projects, with the beneficiaries repaying the loans in easy instalments.

The 200 graduates received training at vocational centres in electricity, auto mechanics, wood work, decor and metal work under a programme organised by the Vocational Training Corporation (VTC).

VTC Director General Ahmad Atwan delivered a speech at the graduation ceremony noting that VTC centres are currently training 1,500 trainees in skills required at bakeries, construction projects, and tilling as well as trades related to sales and marketing because they are badly in need in the local labour market.

Dr. Atwan said that the VTC has been closely cooperating with 3,000 private businesses to give training to the young men and women trainees. He urged Jordanian youth to join VTC training programmes, noting that according to VTC estimates, 20,000 job opportunities now exist in the country awaiting those who graduate from VTC training courses.

In his statement in Al Ra'i daily, Minister Dughmi was quoted as saying that the Labour Ministry was willing to cooperate with any firm and industrial business to help train Jordanian citizens, enabling them to find employment.

Referring to a recent Labour Ministry decision on terminating the work of foreign truck drivers, Mr. Dughmi said that decision was final and irreversible.

PNC official says Arab states need to support intifada

AMMAN (Petra) — The uprising by the Palestinian people against the Israeli occupation will continue to escalate if the Palestinians wish to liberate their country and regain their freedom, according to Sheikh Abdul Hamid Al Saeh, speaker of the Palestine National Council (PNC).

Sheikh Saeh was addressing a day-long seminar entitled "The Palestinian Intifada and its Future" held in Amman Sunday. He said that the intifada was a clear manifestation of the Palestinian people's rejection of occupation rule.

Sheikh Saeh urged Arab and Islamic countries to help the Palestinian people to enhance their resistance and maintain their struggle for freedom.

The seminar was also addressed by Hani Al Hassan, political advisor to President Yasser Arafat. Mr. Hassan submitted a working paper to the seminar outlining the main achievements of the intifada. He said that thanks to the uprising, the Palestine Liberation Organisation's status in the international arena has been strengthened and recognised as the sole and legitimate representative of the Palestinian people. The intifada, he added, corroborated the Palestinian identity inside the occupied Arab lands.

But Mr. Hassan also noted that the intifada, under the present circumstances, is not able to liberate the occupied lands from Israeli rule unless given full support by the Arab countries. Mr. Hassan also called for further bolstering of Jordanian-Palestinian ties.

A member of the Palestinian Hamas Movement also submitted a working paper to the seminar, noting that the intifada has delayed Israel's implementation of its project to create the so-called Greater Israel. The nearly four-year-old intifada involved various sectors of the Palestinian people making an all-out effort against the Israeli occupation, according to Hamas representative Mohammad Nazzari.

The intifada was described by Azmi Al Khawaja, who is secretary general of the Jordan Democratic Popular Unity Party, as having achieved a great deal in the past four years, enhancing the Palestinian people's confidence in the outcome of their struggle. Mr. Khawaja said in a working paper that the intifada has broken the barrier of Arab fear of the Israeli army and enhanced the Palestinian people's confidence.

More importantly, Mr. Khawaja said, is that the intifada has exposed the real nature of Israel as a fascist and racist entity bent on committing atrocities by killing, torturing and starving the Arab people of Palestine.

Construction of new Karak Hospital to begin in January

AMMAN (J.T.) — An Italian construction firm, in cooperation with Jordanian authorities, is expected to begin construction of the new Karak Hospital in January 1992, an Italian Embassy source said Sunday.

The Italian government, which promised to provide \$10 million for the construction of the 100-bed hospital has yet to name the Italian firm to take charge of the project. The awarding of the contract is expected in coming months, the source said.

The Jordanian government has endorsed an agreement with Italy to build the hospital on a 6,000-square-metre plot of land to offer badly needed medical services to the southern regions of Jordan.

According to Health Ministry

officials, the Italian firm will take charge of supervising the technical and constructional work and will provide experts and designs as well as teams of specialists for the project. Instructors will also be made available to offer training to the nurses during the implementation of the project in addition to providing the equipment for the new hospital.

The Council of Ministers approved the agreement, which was worked out between the two sides in Rome last June. Apart from the construction of the hospital in Karak, the three-year agreement provides for the Italian government to offer Jordan assistance worth at least \$55 million in agricultural, water, health

and other fields.

Under the agreement for the Karak Hospital, the Jordanian government will offer the plot of land and provide the infrastructure and other civil works which include sewerage, electricity, water and telephone networks, roads and other relevant services.

Jordan will also provide transportation facilities and administrative and medical teams to help carry out the project, according to a cabinet statement Saturday evening.

In his statement to Parliament recently, Prime Minister Taher Masri said that work has started on the infrastructure, paving the way for the implementation of the project for southern Jordan.



Mohammad Saqqaf

SSC demands companies report injuries

AMMAN (J.T.) — The Social Security Corporation (SSC) Sunday sent a circular to all companies and firms demanding that they report to the SSC occupational injuries within three days after their occurrence to facilitate the process of compensation.

In the circular, SSC Director General Mohammad Saqqaf said that the SSC law guarantees the right of workers to get treatment for injuries and sickness incurred in the course of performing their duties. Furthermore, the SSC offers each injured worker 75 per cent of his wages until he returns to work, he said.

In the event of 30 per cent disability resulting from occupational injuries, workers receive a monthly salary to be fixed by the SSC.

However, should workers sustain permanent disabilities, they are entitled to 75 per cent of the monthly salary, he said.

If the disability is estimated to be less than 30 per cent of the workers' faculties, a lump sum compensation will be offered, Mr. Saqqaf said.

In the case of death, those entitled to the worker's benefit receive 60 per cent of his monthly salary for life, Mr. Saqqaf said.

Mr. Saqqaf estimated there are 600 occupational injuries every month. He added that the SSC has provided compensation and care to more than 64,000 injured workers since the SSC came into being in 1980.

At present, he said, a total of 220,000 workers in Jordan are covered by the SSC law and are entitled to compensation for occupational injuries, old age and death.

Returnees continue to stream into Jordan

AMMAN (J.T.) — A total of 9,666 Jordanian and Palestinian expatriates returned to the Kingdom after being evicted by the Kuwaiti authorities between Aug. 6 and Aug. 24, according to Salameh Hammad, chairman of the Returnees Welfare Committee.

Mr. Hammad, who made the statement to the Jordan News Agency, Petra, said that his committee has issued orders to border post officials to provide immediate assistance to the returnees.

Out of a total of 400,000 Jordanian and Palestinians living in Kuwait before the Gulf crisis, nearly 300,000 have now returned to Jordan.

A large number of the expatriates were already in Jordan during the crisis. They have been unable to make their way back to Kuwait, which is continuing to evict Palestinian and Jordanian nationals, Mr. Hammad said.

Mr. Hammad said in his statement that teams affiliated to his committee are now counting those expatriates who have undergone physical torture while in Kuwait and are gathering other essential information pertaining to their status and their conditions.

In a statement during a meeting chaired by His Royal Highness Crown Prince Hassan to discuss issues pertaining to the returnees, Mr. Hammad said that his committee had worked out a

two-phase plan to provide immediate care for expatriates arriving in the country and dealing with individual cases. His teams, he said, were at the border post in Ruweisheh and in areas where there is a concentration of returnees to gather information in this regard.

Mr. Hammad, who last week held a series of meetings with heads of charitable and humanitarian organisations operating in Jordan, announced Sunday that he would resume such meetings Monday. He told Petra that the discussions would focus on means of providing urgent assistance to the returning expatriates and helping the committee to meet its humanitarian commitments.

Apart from the charitable organisations, the heads of Muslim and Christian faiths in Jordan have been urged to make appeals to their respective members to extend a helping hand to the expatriates.

The United Nations Relief and Works Agency (UNRWA) for Palestinian refugees said that it was assessing the impact of the returnees on Jordan before issuing an appeal for international assistance.

The UNRWA director in Jordan told the Jordan Times last week that most of the returning expatriates are Palestinians and he believed they were eligible for assistance from the agency.

HOME NEWS IN BRIEF

Masri meets with committee

AMMAN (Petra) — Prime Minister Taher Masri met Sunday with members of the Lower House of Parliament's Public Freedoms and Citizens Rights Committee. Discussion in the meeting centred on the situation of detainees, reinstating those who lost their jobs for political reasons and allowing Jordanians with expired passports to return home. The meeting was attended by ministers of state for parliamentary and internal affairs.

Suqour visits Al Koura district

AMMAN (Petra) — Secretary General of the Ministry of Social Development Mohammad Al Suqour Sunday visited the Social Development Department in Al Koura district where he inspected work procedures and the services it provides for citizens. Dr. Suqour discussed with officials at the department ways of activating work and affirmed to them the ministry's keenness to support the activities of the department in assisting needy families in the district. He also discussed with the officials arrangements taken by the ministry to open a school for the handicapped in the district. The ministry has rented a building for the school and is expected to open it in September.

Scientists and geologists start 3-day conference

AMMAN (J.T.) — Scientists and geologists from Jordan and 11 other Arab and foreign countries gathered at Yarmouk University Saturday for a three-day conference on the geodynamic development of the Arabian lithosphere. The meeting is designed to help scientists and organisations concerned with geological research

to exchange expertise and information to promote further studies, and according to Fuad Al Sheikh Salem, acting university president.

Subhi Naser, chairman of a committee that prepared the conference, addressed the opening session and underlined the importance of geological studies and

development in the Arab region.

He said that the conference will discuss the Arabian lithosphere, including the geology of Jordan, geophysics, tectonics and mineralogical studies.

There are about 80 scientists taking part in the conference

from Jordan, Syria, Iraq, Egypt, Qatar, the United Arab Emirates, Libya, Tunisia, Sudan, the United Kingdom, Germany and the United States.

According to a university announcement a week-long geological exhibition will be held at Yarmouk University.

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Not a momentary tide or sudden collapse

ON THE SURFACE it appears as though the dramatic and eventful transformations in the Soviet Union had occurred in a matter of three fateful days and nights. A closer look, however, would reveal that what has happened in that country is the culmination of a rather long process that may have started when the communist order failed to respond to contemporary needs of Soviet society. At a time when the communist system of government in the USSR did succeed in industrialising the country and leap-frogged it from the Middle Ages into the 20th century in an unprecedented short span of time such transformation was, however, never complete. On the political level, the one-party system that served the country and its people adequately for a certain period of time, particularly in its early development stages, remained static and could no longer cope with the citizenry's demands for more involvement in the political decision making process. Even in the context of the rapid industrialisation of the country, many sectors of the Soviet economy remained at the pre-industrial stage to the extent that many experts continued to classify the Soviet economy as one that belonged to a developing country rather than to a superpower. What ensued was the transformation of the Soviet Union into a superpower only in the strict military sense, while in other terms the country remained stifled and lagging behind. Such contradictory results within the Soviet experiment were bound to explode at one stage or another.

What must have also exasperated the situation in the country was the forced and artificial unity between peoples and nationalities that have little or virtually nothing in common. What possible common aspirations and orientations could have united the Islamic republics with the Ukraine or Russia or the Baltic republics for example? This was only a sample of the hard and irreconcilable differences that existed and continued to exist among the various Soviet republics that were glued together artificially and forcefully.

So it was only a matter of time before the dam that held all such contradictions would collapse. As a matter of fact the big bang that destroyed the dam began when the Berlin Wall was dismantled and the Eastern European countries broke free and took their destinies into their own hands in line with their own respective cultures and political yearnings. In a way the tide that swept away the old order in Eastern Europe continued its sweep till it reached Moscow where it all began several decades ago. What happened in Moscow last week and continues to happen now has thus to be seen as part of the process that started the day in 1985, Soviet leader Mikhail Gorbachev's appearance at the helm of Soviet politics at the time could be viewed as the choice of one leader to succeed another who had just passed away, which is probably the true picture of things. But beyond that, Gorbachev's arrival on the scene in 1985 could have also been the right moment to start the historic and momentous change that is happening now in the USSR.

ARABIC PRESS COMMENTARIES

Al Ra'i daily Sunday commented on Israel's protest for not being invited to a regional conference on water that would be held in Istanbul sometime next November and said that the Jewish state first should prove its credibility before joining other states in the region to deal with a very sensitive and essential issue. The paper is critical of Israel for threatening to declare its unwillingness to take part in a peace conference with the Arab countries if it is not invited to the water conference. Such threat suggests that the Israeli leaders are not inclined to give serious thought to the peace process and are finding excuses of any sort so as not to participate in the peace conference, the paper said. It said that Israel should first show and prove its total commitment to respecting the international legitimacy and its desire to implement U.N. Security Council resolutions so that it can be accepted by the community of countries in the region. Israel can by no means participate in resolving the water issue while ignoring the basic problems of the region and disregarding calls for an end to occupation of other countries lands, the paper continues. It said that the water issue is at the top of priorities for the countries of the region but the process of peace is more important because without peace smaller problems can not be resolved. By placing the water problem ahead of the question of peace, said the paper, Israel is trying to blackmail the Arab countries and trying to avoid a peaceful settlement that would recognise the rights of the Palestinians and restore Arab rights.

A guest columnist in Al Ra'i daily focused attention on the fact that the Western nations are trying to get rid of the Jews by sending them to settle in Arab Palestine and by this they hope to achieve several purposes. Subhi Fahmawi said that throughout history the Jews had been despised and hated by the Western communities and this is quite clear in numerous facts and reports over the past centuries. He said that the Western nations hate the Arabs and the Muslims as well and by sending the Jews to settle in Arab land they hope to pit one party against the other with the ultimate hope of seeing them destroyed and the Arabs and Muslims pushed back into the desert. The writer also said that by destroying the Jews and the Arabs simultaneously, the Western nations hope to achieve a dual objective: disposing of the undesirable nations and ensuring the continued flow of petroleum. At the same time Mr. Fahmawi said, the Western industrialised nations would ensure the continued flow of their products to the Arab markets. For these reasons, the writer said, the Western countries are currently helping the Jews to maintain their occupation of Arab land and going ahead with plans to keep the Arabs weak and in disarray.

Weekly Political Pulse

Democracy and desperation — not a right equation

THE West is once again upset with the Palestinians and Jordanians as well as with the Iraqi and Libyan governments for their open support for the Soviet leaders who engineered and executed the aborted coup last week in Moscow. To be sure, such overt and spontaneous sympathy for the coup leaders was premature and ill placed. Yet it would be wrong to presume that there were no scores of other peoples and governments which also entertained false hopes in the junta that attempted to seize power in the Soviet Union. One would venture to state that the majority of the developing world saw in the restoration of the Soviet role as a superpower a real opportunity to redress the potential tyranny that may be established by the absence of an effective system of checks and balances in international affairs. It would be wrong therefore to vent once again the disappointment of the West on selected Arab peoples and governments when a closer scrutiny would reveal that the popularity of the attempted coup d'etat in the USSR was more widespread internationally that admitted.

Yet this fact would not change much the issue of whether all those Arab peoples and governments which joined the chorus welcoming the restoration of status quo ante in the Soviet system had their confidence and trust misplaced on substantive grounds. It was admitted at the outset that throughout the four decades of Eastern support to the Palestinian and Arab causes not much real progress was achieved as a direct result of such communist support. By and large, the Palestinian problem remained in a state of limbo, with its fundamentals neither unresolved nor addressed, in spite of the communist world's outcry and protestations. It is also true that Moscow and the other Warsaw Pact capitals support to the Palestinians was more rhetorical than real on issues and positions that really matter.

True, Warsaw Pact countries' military equipment were supplied to some of the Arab countries. Also true, trade and commerce

between the Arab World and the Eastern Bloc countries flourished. Even more important perhaps was the opening up of universities and technical institutions to Arabs who would have otherwise been denied higher education. Yet most of such useful bilateral relations were conducted on a mutual benefit basis and not on any preferential treatment basis to the Arab World as such.

Moscow and its allies in the cold war era benefited a great deal economically and even politically from such bilateral relations, as indeed was the case between the Arab countries and the West when there was trade and other bilateral relations between them. Yet the biggest stigma attached to the communist world's support to the Palestinian case for example was the fact that it was the arms and ammunition from the Eastern Bloc countries that helped Israel win its first military confrontation with the Palestinian freedom fighters and the small Arab armies that came to their rescue. That was, of course, in the eventful and critical 1947-48 period when the very establishment of Israel on the ashes of Palestine and Palestinian rights was at stake.

Let us forget, not even Washington could not beat Moscow in extending recognition to the infant state of Israel. Had the Eastern European communist countries in those critical days been really faithful to the rights of peoples to self-determination, they would not have rushed to aid and abet the creation of Israel in violation of the Palestinian right to self-determination. All attempts by Moscow and its former allies to rectify the situation and heal all wounds with the Palestinian people were never translated into tangible results. That is essentially why the Palestinian cause remained where it is and has continued to deteriorate till this very minute. So why all the rejoicing over reverting to the so-called good old days in Moscow? Probably the cause for rejoicing lies in the proposition that henceforth the record of Moscow and the other Eastern European capitals with

the Arab world would deteriorate even further and revert to the 1947-48 era when the socialist systems had only contempt for the emerging Arab states.

The Arabs' longing for the old days in Moscow is also motivated by the spite they have against the West for the way they dealt with Iraq. Many Arabs, not only Palestinians, Jordanians, Libyans or even Iraqis, have rallied in support of the putsch in Moscow as a way of venting their disappointment with the so-called new international order which was translated into unlimited and unchecked use of power, both military and economic, against Baghdad.

In other words it is the disproportional punishment meted out to Baghdad that bothers the peoples of the world and not the punishment itself. Had there been a traditional Moscow on the U.N. Security Council, many would argue, Washington, London and Paris would not have been able to punish a small developing country as severely as they had. That explains in part the longing for a traditional Moscow rather than a so-called constructive and cooperative Moscow which is playing second fiddle to anything coming out of the West.

It is doubtful therefore that many Arabs, including Palestinians, genuinely believe that the old, traditional Moscow can do much about the Palestinian case per se since they had several decades to do something but could not or did not want to. Deep in the hearts of many Arabs there is a recognition that Washington has more leverage than any other capital with Tel Aviv. So it is not this issue that makes them happy at the prospect of the old guards assuming power in the Soviet Union. Besides, the Arabs everywhere are now championing democracy and it would be difficult to reconcile such a yearning with the wish that democracy dies in the Soviet Union. The desperation in the Arab World made them take contradictory positions, one calling for the establishment of freedom and pluralistic democracy in their midst and another calling for undemocratic rule in the USSR.

After second revolution, can Soviet empire break up peacefully?

By Paul Taylors
 Reuter

LONDON — In six days that shook the world, a second Russian revolution has destroyed communist rule, driven the Soviet Union to the brink of breakup and catapulted the Baltic states towards independence.

The upheaval triggered by last Monday's failed coup by communist diehards has left anxious governments around the world wondering whether the Soviet empire can fall apart peacefully or if it will explode in ethnic and nationalist bloodshed.

"The breakup of the Soviet empire, with all its interwoven

nationalities, could make what is happening in Yugoslavia look like a vicarious tea-party," an adviser to European Commission President Jacques Delors said.

The Balkan state is on the verge of civil war after Croatia declared independence, leading to clashes with Serbs which have claimed more than 300 lives in the last two months.

Western officials fear the violence between Azeris and Armenians in the Soviet Caucasus in the last year, in which more than 800 died, was only a forerunner of massacres to come as central authority collapses.

Nearly 74 years after Lenin's Bolsheviks created the world's first communist state, President

Mikhail Gorbachev effectively killed off the Communist Party on Saturday by resigning as secretary-general, handing its property to local councils and banning its cells in the army, the KGB and factories.

In Marxist terms, the hardliners' bungled attempt to turn the clock back on Mr. Gorbachev's democratic reforms accelerated the process of history.

The revolution has unfolded with astonishing speed, faster than the uprisings that swept communists from power in Eastern Europe in 1989.

The fear of repression, which had held the Soviet state together for seven decades, evaporated suddenly after the tanks turned

tail and left Moscow on Wednesday.

Angry crowds turned on the Communist Party, toppling monuments to its leaders and besieging its offices. Some of the party's 15 million members burned their cards in the street.

The Baltic republics, targeted for a crackdown by the coup leaders, seized the chance to make a dash for immediate independence, a move that previously reticent Western countries now seem set to recognise.

The Ukraine, second-largest Soviet republic with 50 million citizens, also declared independence, subject to a referendum, and the southern republic of Mol-

dova is set to follow suit.

Russian President Boris Yeltsin, who emerged as a new Soviet strongman after leading resistance to the coup, has commanded many of the central government's resources and powers, while recognising other republics' right to go their own way.

Mr. Yeltsin has stayed a step ahead of the street crowds, acting against the party and the KGB secret police perhaps partly to prevent enraged Muscovites from storming their headquarters.

Although he is the democratically elected leader of the giant Russian Republic, there is some concern in the West that he may be taking dictatorial powers.

"It is the beginning of the imposition of a populist dictatorship," Yale historian Sir Michael Howard, an adviser to British prime ministers, said in a television interview. "He is a man of obviously authoritarian temperament."

Mr. Yeltsin has publicly humiliated Mr. Gorbachev. He brought about the Soviet presi-

dent's reinstatement but has stripped him of most of his power.

Soviet and Western analysts say Mr. Gorbachev, the darling of the West, will at most survive as a figurehead head of state, presiding over a loose union of sovereign republics stretching from the Baltics to the Pacific.

The Soviet leader accelerated his own demise by clinging to the doomed party when he returned to Moscow on Thursday after three days as a prisoner at his Crimean holiday home.

He appeared to completely misjudge the mood of the people. Radicals said Mr. Gorbachev, 60, a lifelong communist, had long been a brake on economic and political reform, citing the threat of a hardline backlash to slow change.

"He was perhaps always a transitional figure," said Alex Pravda, a Sovietologist at Oxford University. "He seems to have reached the limits of what he wants to achieve and what he wants to allow."

Botched coup may have been blessing in disguise

By Terence Hunt
 The Associated Press

KENNEBUNKPORT, Maine — In retrospect, the Bush administration sees the botched coup against Mikhail Gorbachev almost as a blessing in disguise, offering unexpected opportunities for action on a bogged down agenda of reform and a new era of democratic freedom.

The sudden shock and despair that accompanied the announcement of the coup a week ago gave way 63 hours later to a deep sigh of relief with the collapse of the plot.

Now, there is a palpable sense of optimism that things that once seemed unlikely have a distinctly better chance of being achieved.

Those possibilities were dramatically underlined Saturday by news that Mr. Gorbachev had resigned as Communist Party chief, calling for the breakup of the party that has ruled since 1917. The administration has viewed the party as a bankrupt institution that impeded change.

"I see nothing in here but good news in terms of speeding up the pace," President George Bush observed last week.

Deputy Secretary of State Lawrence Eagleburger went even further.

"While I wouldn't want to ever praise a coup, I think the fact of the matter is that, in the aftermath of that coup, the United States is better off in the relationship with the Soviet Union than it would have been before that," Mr. Eagleburger said Saturday on CNN.

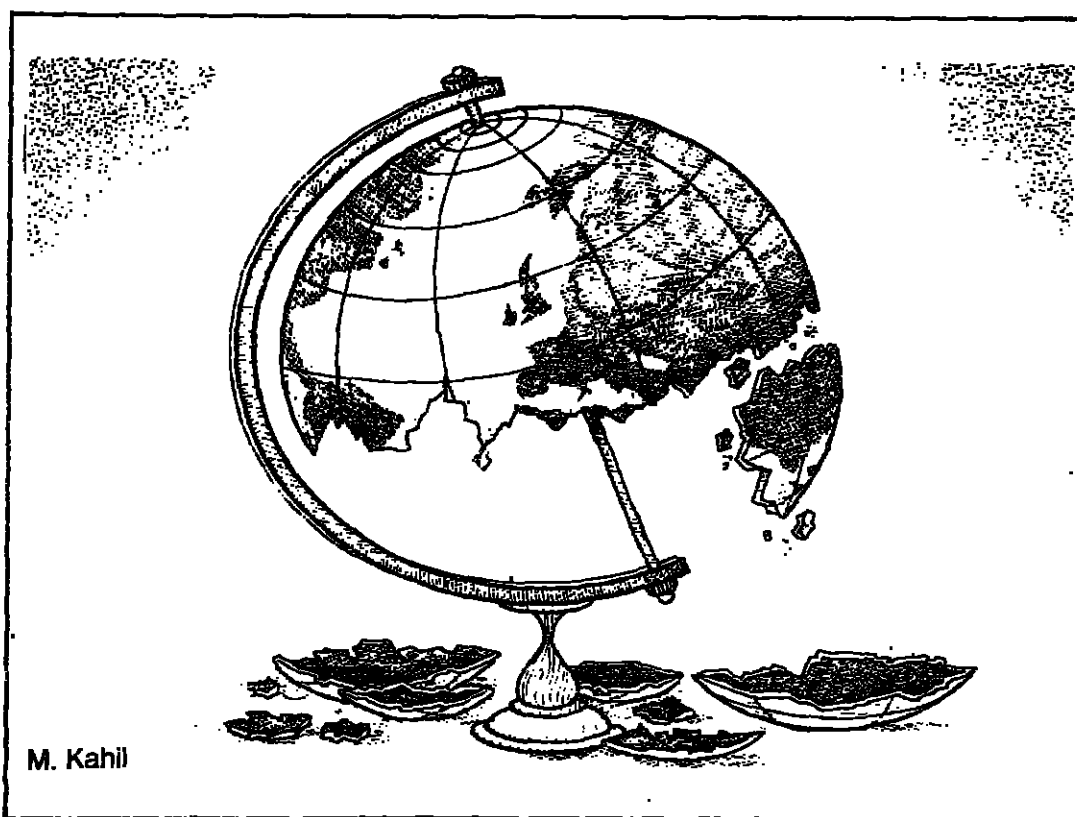
As Mr. Bush sees it, everything is breaking his way.

The Soviet hard-liners who tried to block reforms have been stripped from power, replaced by a generation of vigorous reformers. One of the chief opponents of dramatic steps to overhaul the economy was Prime Minister Valentin Pavlov, a coup plotter who's under arrest.

The Communist Party is in a spiral of decline, and the KGB and military have been weakened.

Soviet citizens, who turned out by the hundreds of thousands in defiance of authorities, registered a strong mandate to move ahead on a course of change. That will be hard for Mr. Gorbachev to ignore.

Freed of constraints against bold action, Mr. Gorbachev has



been thrown into a power-sharing alliance with Boris Yeltsin, the reform-minded Russian president who stood up to the coup plotters and spearheaded their downfall.

There are no more excuses for Mr. Gorbachev to stall reforms, the administration believes.

"The very fact that this coup has taken place in my view removes some of the roadblocks to economic reform," Mr. Bush said Saturday.

Putting aside his usual caution on major questions of foreign policy, Mr. Bush said all of the changes in the Soviet Union "appear to be working in favour of the United States."

In recent months, Mr. Gorbachev has played Conservatives against Liberals to justify his plodding steps toward economic and political freedoms.

"He (Gorbachev) can't point to the Conservatives and say, hey, we can't do any more than we are," a senior administration official said. "We may in a sense see the true Mr. Gorbachev coming out more."

Amid the air of startling change, the administration is drawing up a wish list it would like to see fulfilled.

At the top is the granting of independence to the Baltic states

of Lithuania, Estonia, Latvia. Once considered a distant goal, some administration officials believe independence will occur within six months.

"In my view," Mr. Bush said, "that would do more to enhance goodwill in the United States than almost any other single thing that could be done."

The administration also wants Moscow to reduce its military spending and cut off aid to Cuba.

A shift of power from the central government to the republics appears inevitable, particularly because of the enormously enhanced power and prestige of Mr. Yeltsin, the administration believes.

"There's probably been a move toward the ability of the republics to get pretty much what they want because Mr. Gorbachev doesn't have the kind of power base" he once had, the senior administration official said.

Mr. Bush himself, once deeply sceptical of the outspoken Yeltsin, has gained a deep respect for the Soviet leader. When he speaks of Mr. Gorbachev, Mr. Bush usually includes Mr. Yeltsin in the same sentence.

Mr. Bush's advice to Gorbachev: "stand shoulder-to-shoulder with Yeltsin." Despite the sweeping changes

of power in the Kremlin's inner circle, the administration continues to resist pressure to provide direct financial assistance to the Soviet Union.

British Prime Minister John Major, who joined Mr. Bush in opposing massive aid at the London economic summit last month, appears more open to a bigger package of assistance for Moscow.

Mr. Bush said he feels no need to change his position that the Soviet Union must first enact sweeping economic reforms before receiving a big bundle of cash.

"We want to help. Eventually there may be a way we can help with money," the president said. "But before that we've got to see reforms in the Soviet Union. We've got to know who we're dealing with in these ministries. There's just a whole lot of things that have to happen before we can move forward."

Yet, as Mr. Bush readily admits, the sea changes of the past week have been profound and the prospect for reform is far stronger than it was before the coup attempt. That will sharply increase pressure on Mr. Bush to take out his checkbook and offer cash to the Soviet Union.

LETTERS

Facts of fresh milk

To the Editor:

DURING a period, several articles and letters have been written in various newspapers regarding the farmers' problem with excess of fresh milk at their farms. Much of the information and details given to the readers this way have been wrong and insufficient. It is surprising how even a parliament member have made himself a tool for misinformation.

Please note the following facts:

The relation between the dairy factory and the farmers is secured through the cooperative societies and based on an agreement signed between the two parties for quantities delivered daily, for prices and other matters i.e transport and ways of payments etc. made through the Ministry of Agriculture.

All concerned parties know that Karoline company has received more quantities of fresh milk from the cooperative than agreed originally in the period 1/1-30/6/91. The agreement is stating that the company will receive 27 tonnes daily; the average daily received by the company from the cooperative societies during the six months is 33 tonnes i.e 22 per cent more daily.

We would like to mention here that during the last six months the company has received 6,000,000 litres of raw milk, which is 1,250,000 litres more than agreed in the contract with the farmers.

Regarding milk powder for the dairies, starting with Jan. 1, 1991, it was forbidden to be used and the import was stopped at this time. The Ministry of Supply seized all milk powder from the dairies. Two supervisors from the Ministry of Agriculture were permanent at Karoline factory to make sure that powder was not used. In May a limited quantity of milk powder was released for ice cream production under control by Ministry of Agriculture at the factory. Ice cream production can not be made from fresh milk alone due to too low contents of solids.

What may not be known to the public is that import of cows from outside were increased, at the time the farmers claimed there were surplus of milk. The import of cows to arrive in the coming period will exceed 11,000 and up to now more than 5,000 cows have arrived. When the new cows arrive there will be a further production of 150,000 to 170,000 litres daily and then real problems will start for the milk farmers.

The market demand of milk in Jordan can be split into two groups:
 a) products made at the dairy factories from fresh milk, this is today estimated to approximately 70,000 litres daily. The capacity at the dairies is higher, but the market demand is covered.
 b) Products made at the private household from imported milk powder, such as Nido, Klim, Dano, and Halibuna, the last imported by Ministry of Supply and sold with subsidy to the consumer in a quantity converted to liquid milk making about 100,000 litres daily.

Dairy industry in most countries is build on cooperation between farmers and dairies, according to market demand. If such cooperation could take place in Jordan it will, according to our long experience, be very beneficial to all involved parties.

Kurt Yding,
 General Manager,
 Danish Jordanian Dairy Company,
 P.O. Box 927132,
 Amman.

The Jordan Times welcomes letters and contributions from its readers on any subject they wish to tackle. Letters intended for publication, however, should contain the writer's full name and preferably address as well. Names can be withheld only upon request and under special circumstances. Letters are subject to editing. The newspaper is not responsible for the return of unused manuscripts.

Gorbachev seeks to save presidency

(Continued from page 1)

Marshal Dmitri Yazov, Soviet defence minister at the time of the coup, has been arrested and fired, and his deputy, Chief of Staff Mikhail Moiseyev, has been fired.

In their places, Mr. Gorbachev and Mr. Yeltsin have named reformers.

The United States will recognise the independence of the Baltic states in "a relatively short period of time," Secretary of Defense Dick Cheney said.

"I think that is basically a question of formality at this point," Mr. Cheney said.

Appearing on NBC's "Meet the Press" with Mr. Cheney, Arkady Maslennikov, a spokesman for the Supreme Soviet, said that he foresaw "some kind of orderly divorce or separation" for the restive Soviet republics.

The United States has never recognised the annexation of the republics by the Soviet Union during World War II, but has stopped short of exchanging diplomatic representatives.

Mr. Maslennikov said he expected Mr. Gorbachev to issue some kind of clarification of the republics' status when he reports to the special session of the Supreme Soviet Monday.

Asked if he could foresee sending troops into the republics, he replied, "No... I don't think it is possible."

"I only believe that some kind of orderly divorce or separation should take place," said Mr. Maslennikov, interviewed from Moscow.

Mr. Cheney also said that it was unclear who had control of nuclear weapons while Mr. Gorbachev was held captive.

He said that while Mr. Gorbachev could not have prevented any of the coup plotters taking control of the weapons, "to say that there was any increased risk to the United States I don't think would be valid. We did not see any sign of that."

He said the Soviet president, the chief of staff and the defence minister all had roles to play in any launching of nuclear weapons. He added that the commander of the Soviet rocket forces would also have had to implement a decision to use nuclear forces.

These individuals, he said, were on different sides during the crisis.

"We watched very carefully, for obvious reasons. We did not believe there was any increase in the risk of the use of nuclear weapons," Mr. Cheney said.

"On the other hand... one of the key concerns has to be, in a situation like this, that somebody would take control of the nuclear weapons by taking control of the government."

The Republic of Moldova became independent Tuesday and ceased to be part of the crumbling Soviet empire, a senior Moldovan official said.

"Moldova's parliament will proclaim the republic's independence on Tuesday, and Moldova will no longer be part of an empire which is falling to pieces," Alexandru Mosanu, chairman of Moldova's parliament, told Reuters.

Radio and television in the republic bordering Romania broadcast an announcement saying that an extraordinary session of parliament would be convened Tuesday.

Byelorussia's conservative leader Nikolai Demeneti resigned Sunday and its Communist Party cut ties with the national party.

Its premier, Vyacheslav Kebich, also asked parliament to consider declaring its independence, parliamentary spokesman Yuri Popov said in a telephone interview.

Mr. Gorbachev is also facing growing international response to independence by Baltic Republics Estonia and Latvia last week, joining Lithuania's declaration last year.

European Community (EC) foreign ministers will meet in emergency session this week to discuss the Soviet situation and also EC member Denmark's announcement that it would go ahead with diplomatic recognition of the Baltic republics, a Dutch spokesman said.

Norway said Sunday it would establish diplomatic relations with the three republics, and Germany called on the EC to recognise them, saying such a move would contribute to stability in Europe.

Ivan Silayev, prime minister of Mr. Yeltsin's Russian Republic, claimed control of the Soviet economy ministry and its natural resources and declared other federal ministries subject to Russian control on the territory of the giant republic.

It was not immediately clear, however, how the Russian decrees could be enforced.

Moscow Radio said the agenda for the emergency session of parliament included formation of a new government, to replace ministers sacked for complicity, and convening of the Congress of People's Deputies, the highest legislative body.

The report said Mr. Gorbachev would direct an investigation into the role of the parliamentary leadership—including his former law school friend, Speaker Anatoly Lukyanov.

Russian officials, who led the resistance to the three-day coup, have charged Mr. Lukyanov with being the "ideologue" behind the hardline communist bid for power.

The agenda spelled out Mr. Gorbachev's plan of attack as he struggled to retain some authority for the office of president, stripped of much of its moral and political authority in the coup and its aftermath.

On Saturday night, he quit as Communist Party leader and ordered the confiscation of its vast property holdings, finishing off the most dramatic week in Soviet politics since the 1917 revolution that first put the Communists in power.

"I do not consider it possible to continue to carry out the functions of general secretary," he announced in a statement read on Soviet Television.

The move, long demanded by reformers, opened the final breach in the walls of Soviet power. The constituent republics quickly stepped in to fill it, underscoring the uncertainty of Mr. Gorbachev's political survival.

In the streets of Moscow, there was a mood of quiet satisfaction that Mr. Gorbachev had at last acted decisively. But there was no sign of the angry crowds that had earlier dismantled monuments to Bolshevik heroes.

By the time Mr. Gorbachev quit the leadership, power within the Soviet Union had already shifted dramatically from the Communist Party, rooted central government to the popularly elected republic governments. That historic change appeared when Mr. Yeltsin successfully stood up against the hardline communist coup leaders.

By Izzat Dajani

THE countries of the Middle East are facing urban situations that have no precedent in their long history. The urban population is expected to increase from 30 per cent in the 1950s to 70 per cent in the year 2000. Many cities have quadrupled their size.

Urbanism in the Middle East is nearly a 6,000 years old process. However, the magnitude of change and the imbalance in human settlements with their reflections on social unrest are recent, being a feature of the last two or three decades.

The population of the Middle East, including Turkey and Iran, is nearly 300 million people. It covers about 6 to 7 per cent of the world's total land area. The population distribution varies dramatically, from 300,000 people in Qatar to over 50 million people in Egypt. The per-capita income also varies from \$250 in Sudan to nearly \$40,000 in the United Arab Emirates. It must be noted, however, that across the Middle East, countries with large populations have less resources and lower per-capita income.

Most of the wealth seems to be concentrated in areas with relatively small populations. This should be constantly taken into account as urbanisation is being discussed across the Middle East where different countries assume different reasons, trends, and adaptations to their common process of continued urbanism.

The neo-liberal paradigm calls for the development of modern states in which there is a move towards industrialisation one form of "needed" urbanisation. This requires the mobility of the working population. Industrial

development and commercial development are inevitably located in urban areas. The emphasis on economic development in the Middle East has contributed greatly to the urbanisation process and made it even more difficult to separate the fiscal costs of urbanisation from those of industrialisation.

The Middle East is characterised by five different types of cities: caravan (Petra), shrine (Najaf, Medina), agrarian (Hama, Mosul), conquest (Baghdad, Alexandria), and industrial (Riyadh, Doha). It must be noted that size and density are less relevant than authority and legitimacy in distinguishing between types of cities in the Middle East. Unlike many typologies in Western societies, urbanity and statehood define the Middle Eastern city versus market conditions as in the West.

The massive influx of people from small communities into a single metropolis highlights the process of ethnic and sectarian segregation, reflecting on the relationship between local and national authorities in the context of urban growth. Furthermore, cities in the Middle East lack public gardens, parks, children's play grounds, and public conveniences. Urbanisation has been one reason behind the deterioration of the quality of urban life. The rate of urban growth per year ranges from four per cent in Tunisia to eighteen per cent in some Gulf states. Hence, urban management must take into account the numerical dimension of urban growth and the resulting social complexities. These include various issues like poverty, slums, jobs, housing, congestion, pollution, traffic, and shortages

in water, electricity, schooling and health services.

Urbanisation is very expensive primarily due to the heavy cost of infrastructure. Urban housing is more expensive than rural housing, and in quantity terms, hospitals, piped water supplies and transportation are more per head in urban than rural areas. As population is a crucial determinant of public service demands and requirements, urban people require and demand more than rural people in terms of quantity and quality of goods and services. There is an increased fiscal burden on urban governments by the rapid growth in public expenditures to meet social and physical infrastructure needs of the expanding urban populations. It is the fast pace of urbanisation that makes a country grow short of capital rather than a dependence on know-how or managerial expertise. Average incomes in urban areas are higher than those in rural areas, and are higher in larger cities than in smaller urban ones. Demand for public services is higher in urban areas and often involves technological economies of scale.

The cost savings from increased size are, however, counteracted by the following:

Cities grow and expand into areas which are more difficult and costly to service.

Human settlements grow continuously leading to the need of adding capacity sequentially.

Increased congestion, pollution, density and city size result in need for more treatment, as in water supply and sewerage systems.

Average urban road density rises with city size and motorisation, which would require greater than proportional increments in road infrastructure with city

growth. It must be noted that transportation places a heavy burden on government budgets in urban areas. Traffic management requires costly mechanical and labour inputs.

Urbanisation is closely linked to the migration of people from rural to urban areas and the expansion of cities to incorporate rural fringes. There is a tremendously increased burden on the government and urgent need for economic planning and development, land reclamation and reform, agricultural mechanisation, urban planning and zoning projects, increased public investment in industry, and many more.

According to an Aga Khan Foundation report, Middle Eastern societies are largely Muslim, and there needs to be contemporary architectural expression that accommodates the prerequisites of modern life while maintaining and enhancing the cultural authority of the evolving Islamic environment. There need be good designs, adaptive technologies and cultural appropriateness. There is a need to conserve the elements of architecture and urban heritage to help appreciate the cultural identity of the society and country. There needs to be awareness of the importance of maintaining cultural authenticity in shaping the environment to meet the challenges of the present and the future.

The problems of mass poverty, exploding urban populations, and severely limited resources in some countries need appropriate architecture and design responses.

Taking the city of Amman as an example, there have been massive migrations of people into the city after the 1948 and 1967 wars. This was further increased by the oil boom in the neighbouring Arab countries and the increased remittances of the Jordanian work force in those countries, leading to vast expansion of the city boundaries and tremendous increase in its population.

Amman is considerably larger than any other Jordanian city, and accommodates nearly half Jordan's population of 3.2 million people. Many of Amman's problems stem from the speed with which it has grown. The insufficiency of water supply to meet the needs of the expanding city is a continuing feature of Amman's history. Demand has consistently outstripped supply and the sewage system is incomplete. The transport network is becoming less capable of dealing with the volume of traffic due to the rising car-ownership rates.

Amman has two distinctive sectors: the East and the West. They represent a distinction in wealth and access to power between one class and another. They also represent a difference between a Westernised, technologically oriented elite and middle class, and the tradition-oriented population.

Beautiful villas set in relatively spacious grounds have spread over the more attractive hillsides of Jebel Amman Abdoun and Shmeisani, to the west of the city. Modern apartment blocks were also built in these suburbs. These all constitute the homes of the privileged classes and the political elite. The spatial extent is entirely out of proportion with its population, and this minority absorbs more than its share of public services and infrastructure. The city's low income groups live in the Eastern part and reflect a contrasting image to the Western side. However, Amman remains clean and relatively well-planned in comparison to other Middle Eastern cities.

The concentration of population in Amman may have been favourable and essential to the modernisation of the economy and society. But the harmful effects reflected on the quality of life and environment in most parts of the city, and on the reduced and abandoned vitality of regions away from Amman. Large areas of the country are becoming marginal in economic

and physical terms resulting in a wide gap between them and the developed areas.

In conclusion, the most remarkable social phenomenon of the present century is the concentration of population in cities. In less developed regions, natural increase is becoming the main factor of urban growth more prevailing than migration. Efforts to discourage migration, if successful, are not likely to influence remarkable changes in urban growth because of the fact that already large urban population is young and growing rapidly by the force of natural increase alone.

Architecturally, one must have a certain degree of reference to the local culture. Historic city centres, which are under enormous economic pressure as they are overtaken by mass urbanisation, as in Cairo and Sana'a, must be preserved. Efforts must also be made to preserve the characters of these cities, upgrade and develop them and improve the living conditions of their inhabitants.

In construction, there is scarcity of heavy equipment, skilled craftsmen, and trained managers. This is further aggravated by the fact that the infrastructure needed for capital-intensive operations is usually inadequate. Labour-based methods in construction must be encouraged, as this would lead to less international borrowing and financing, with the enhanced ability for more commitment in urban development. It is more efficient to reduce large public sector contracts into their smallest viable sub-sizes in order to encourage smaller construction firms to participate in the tendering and execution processes.

Planners need to address the socio-economic influences underpinning the acute pressures on the city's structure. Strategies for regional development and more equitable distribution of human and physical resources must be part of the planning policies for the city.

Brutal equations of Israel's torture prison

By Robert Fisk

THE DAY the Islamic guerrilla group Hizbollah captured two Israeli servicemen, Yossi Fink and Rahamin Alsheikh, the Israelis took Mohsen Ashur, Shiham Merai and Hassan Nassar from their village four miles away and threw them into Khiam jail.

Five and a half years later, the Israelis are now demanding news of their two soldiers, while Mohsen Ashur's mother Fatima is still waiting for her son to be released from Khiam. The equation is near perfect.

Nowhere could one better observe the brutal facts with which U.N. Secretary General Javier Perez de Cuellar now has to wrestle — and the difficulty of arranging a series of prisoner releases — than in the Lebanese village of Chakra, four miles from the equally deprived hamlet of Beit Yahoun where privates Fink and Alsheikh were dragged away by Hizbollah men in white robes.

The people of Chakra know all about Khiam prison. More than 60 of them were taken to the old fort in Israeli-occupied Lebanon after the 1986 ambush and almost a dozen are still there. Many have been freed in the intervening years and their stories are detailed, and terrifying. Mr. Hassan Nassar talks about his two years in Khiam with anger. He was a

vegetable seller and a member of the Shiite Amal militia. The Israelis asked for him by name when their troops and the South Lebanon Army, the SLA militia, stormed into Chakra. He was 27 years old at the time.

"They took me to the local school, blindfolded me and handcuffed me," he said. "They put me on a bus with many other Lebanese prisoners and took us to Khiam. We were taken into a big room with a bar between our wrists with our toes just touching the floor. They threw water over us. Then they brought in a machine with a handle. The Israelis were there but it was the SLA that had the machine."

"I was taken down and they stripped me in front of the other men and tied wires to my fingers, my tongue and my penis. Then they asked me who had taken the two Israeli soldiers and where they were. I didn't know so they turned the handle. I felt my body writhing."

"They did it to me on and off over a period of 30 days. Then the SLA put me in a dark room for another 30 days. It was the size of a dog kennel. I couldn't stand up. I lost 40 kilos before they took me out and put me in a room twice the size shared with other men."

Mr. Hassan Nassar's account would be difficult to credit had it not been corroborated by other ex-prisoners whom he has never met. The Israelis have forbidden the Red Cross permission to visit Khiam, and Amnesty International has vainly sought access.

Mr. Nassar said he heard the screams of women as well as men. Shiham Merai was 25 when she was taken by the Israelis and the SLA in Chakra, two days after privates Mr. Fink and Mr. Alsheikh were captured. "I was the leader of an Islamic women's group but they said I was in the resistance," she said. "They slapped me in the face and beat me with a rifle." Irish U.N. troops in Chakra at the time attested that both men and women were maltreated in the village.

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Lewis shatters world record

TOKYO (R) — Carl Lewis shattered the world 100 metres record in the greatest performance of his career on the second day of the World Athletics Championships Sunday.

Lewis retained the world title in 9.86 seconds, 0.4 of a second under team mate Leroy Burrell's old mark of 9.90 set at the U.S. Championships in June.

Astonishingly, the 30-year-old American, twice the world and Olympic champion, was last out of the blocks in the eight-man final.

Through sheer strength and will power Lewis pulled back the deficit, stepped up another gear at 70 metres and took the lead with five metres to run.

Lewis knew he had won as soon as he crossed the finish line, throwing his arms in the air in jubilation.

Burrell, his team mate at the Santa Monica Track Club, finished second in 9.88 and Dennis Mitchell made it a medal sweep for the Americans with third place in 9.91.

It was the greatest 100 metres race of all time.

Britain's Linford Christie broke his own European record by half a second, but his 9.92 was good enough only for fourth place.

The first six finishers all ran under 10 seconds and each set personal bests.

Lewis, who is something of a folk hero in Japan, ran a jubilant victory lap with Burrell, watched by the emperor and empress of Japan and also by his one-time

great rival Ben Johnson who was commenting for Japanese television.

Only Johnson has run faster than Lewis. But his times of 9.83 and 9.79, recorded when beating Lewis at the 1987 Rome World Championships and 1988 Seoul Olympics respectively, have been erased after he tested positive for drugs in Seoul and later admitted to taking steroids since 1981.

"This is the best race of my life," Lewis said.

"Just to know you're doing everything right and be 30 and run the race of your life is great."

"This is definitely the happiest race of my career but I couldn't have done it without being with the other members of the Santa Monica Track Club."

"It looked like I got a terrible start — but I got a great start. The other guys got out so good it looked as if I had had a bad start."

Burrell said: "This was the fastest race of all time. I was just happy to be part of it."

"I broke the world record and lost it on the same day. How many people can say that?"

"Carl is a great runner, he responded to my talent. How more fitting than to lose to the greatest runner in track and field history?"

Mitchell said: "He's simply the greatest runner on the planet and I was proud to be part of it today."

It was apparent after Sunday's semifinals that a world record was

inevitable.

On a warm, still night Lewis clocked 9.93 in his semifinal, a time previously bettered by only himself and Burrell.

Lewis's compatriot Jackie Joyner-Kersey retained her women's long jump title despite spraining her right ankle in the fourth round.

Kersey hit the barrier on the side of the take-off board and landed heavily in the pit.

Attended by her anxious husband and coach Bob Kersee, Joyner-Kersey placed ice on her ankle and lay on the field.

She missed the fifth round but made a tentative jump on the sixth.

However, her first effort of 7.32 was sufficient to give her the title with her great rival and European champion Heike Drechsler of Germany second, three centimetres behind.

In the night's other final, Soviet Yuri Sedikh, the greatest hammer thrower of his era, won his first world title.

Twice Olympic champion Sedikh, now 36 and with greying hair, threw 81.70 metres.

His previous best at a World Championships was silver medal in Helsinki eight years ago.

It marked a great comeback for the world record holder who failed to make the Soviet team for last year's European Championships in Split, Yugoslavia, when he was ranked only fourth at home.

His compatriot Igor Astapkovich was second on 80.94 with German Heinz Weis taking the bronze with 80.44.

Wanda Panfil of Poland took the day's first gold medal when she won the women's marathon in a race in which defending title holder and Olympic champion Rosa Mota of Portugal failed to finish.

American Danny Harris, silver medalist at the last World Championships four years ago, ran the fastest time in the first round of the men's 400 metres hurdles, clocking 48.32 seconds.

Samuel Natete of Zambia, fastest man in the world this year with 47.10, just 0.08 outside the world record of American Ed Moses, won his heat but was only fifth fastest in 49.14.

He said being drawn on the inside lane had hampered him.

"The curves are very tight. I had some problems but it wasn't too bad."

"I wouldn't say I want a world record here. I just want to do the best I can. If the world record is there it can come at any time."

Amadou Dia Ba of Senegal, the Olympic silver medalist, was only fourth in his heat with a time of 49.77 and failed to reach the next round.

Other heat winners included European Champion Kris Akabusi of Britain and American Kevin Young.

Marie-Jose Perec of France, favourite for the gold in the women's 400 metres, was fastest in the second round heats in 50.61 seconds.

Tennis tournament begins

AMMAN (Petra) — Her Majesty Queen Noor Sunday took part in the mixed doubles tennis tournament which was opened at the Jordanian Tennis Federation's courts. Taking part in the tournament are 60 players.

Man. City hopes history will not repeat itself

LONDON (R) — Manchester City, English soccer's early season front runners, will be desperately hoping history does not repeat itself.

City tops the table after starting the season with three wins and is the only team in the 22-club first division with a 100 per cent record.

The last time City began with three wins was in 1982 — and that season it ended up relegated to the second division.

Player-manager Peter Reid, who figured in two title-winning sides at Everton in the mid-1980s, is unlikely to tolerate a similar slump this time around.

Reid, a gritty but talented midfielder who played for England in the 1986 World Cup, has demanded total commitment from his players at City, a club with a reputation for entertaining yet maddeningly inconsistent soccer.

There were signs of that new resolve Saturday when City fought back to clinch a 3-2 home victory over Crystal Palace with a late Mark Brennan penalty.

City, fifth last season, trailed to an 18th minute Geoff Thomas goal before Brennan, with his first penalty, and David White struck in the five minutes before halftime.

Palace's Mark Bright levelled just after halftime but Brennan kept his cool to seal the win in the 87th minute after Irish striker Niall Quinn had been brought down.

The pairing of the beanpole Quinn and the pacy White will trouble many defences this season — as Liverpool, beaten 2-1 at City by a White double Wednesday, will doubtless testify.

Champion Arsenal, by contrast, has made a disastrous start to its title defence.

The North Londoner, beaten only once in the league last season, slumped to its second defeat

in five days when it lost 3-1 at Aston Villa Saturday.

But Manager George Graham was unperturbed by a return of just one point from the first three games.

"That's football. I've been in it too long to believe it's going to be nice and comfortable every season," Graham said.

"I thought we played well enough to deserve something. The appetite was back again, the attitude was good," he added.

His Liverpool counterpart Graeme Souness was less philosophical after seeing England midfielder Steve McMahon sent off in his team's disappointing 0-0 draw at Luton.

McMahon appeared to elbow Luton's Philip although several Liverpool players thought Gray guilty of play-acting.

"If you raise hands you deserve to go. The sending-off was justified and that disappoints me," said Souness.

"My player was in the wrong and he knows it."

Liverpool, six-time champion in the last 10 seasons, has taken just four points from three games and Souness will be worried by his team's growing injury list.

England international Mark Wright and John Barnes were missing at Luton while Irish midfielder Ronnie Whelan limped off early in the game with knee trouble.

Barnes had an operation to clear up his injured Achilles tendon Friday and will be out for several weeks.

While Liverpool and Arsenal toil, Manchester sets the pace. Manchester United occupies second place behind City with seven points.

Danish international goalkeeper Peter Schmeichel, a close-season signing from Brondby, was United's hero as it scraped a 0-0 draw at Everton Saturday.

Monaco and Marseille open gap as Metz crashes

PARIS (R) — Perennial favourites Monaco and Marseille took advantage of Metz's heavy 1-1 defeat at Nantes to open up a two-point gap at the top of the French Soccer League.

Monaco, who needed an 87th-minute goal from Liberian George Weah to dispose of Lille 1-0 at home, are level with champions Marseille on 12 points but lead by a better goal difference.

Marseille, led by new English international recruit Trevor Steven, had a far more convincing victory, 1-4 at home to Nimes.

Four players were sent off in the 1-1 draw between Cannes and Paris St. Germain which erupted in a brawl.

Cannes ended the game with only eight players after Jose Bray, Franck Priou and French international Luis Fernandez were sent off for fighting. Parisian Omar Sene also received a red card.

Steven, who was welcomed by 10,000 Marseille fans chanting his name for his first match in the French League, settled in well and set up his new side's first goal, a 20-metre shot by Didier Deschamps in the third minute.

He also played a part in Ghana's Abedi Pele two goals in the 29th and 33rd minutes. Jean-Pierre Papin scored his seventh goal in as many matches, netting a penalty in the 37th minute.

Senna wins Belgian GP

SPA-FRANCORCHAMPS, Belgium (R) — Ayrton Senna moved within comfortable reach of his third world championship Sunday when he led his McLaren team mate Austrian Gerhard Berger home for a convincing victory in the Belgian Grand Prix.

Senna's nearest challenger in the title race, Williams driver Nigel Mansell, retired while leading after 21 laps with electronic problems. His is now 22 points behind in the championship with only five rounds of the 16-race championship remaining.

Senna's victory was the 32nd of his Grand Prix career and his fifth in seven years on the demanding high-speed 6.94-kilometre spa-Francorchamps circuit.

He finished 1.9 seconds clear of Berger in the 11-lap race. The McLaren pair were more than 32 seconds clear of third-placed challenger Brazilian Nelson Piquet in a Benetton.

Piquet finished ahead of his team mate and fellow Brazilian Roberto Moreno, with Mansell's Williams team mate Italian Riccardo Patrese limping home fifth.

Briton Mark Blundell finished sixth, taking his first championship point in his first season driving a Brabham.

Ferrari's hopes were carried largely by Jean Alesi after fellow Frenchman Alain Prost had pulled up with engine trouble on the third lap.

Alesi responded to the responsibility by taking the lead following Mansell's retirement. He led for eight laps but was also forced to pull up with what appeared to be engine problems, handing the lead to Senna who then drove unchallenged to the chequered flag.

Senna's win makes him a clear favourite for his third championship in four years and also establishes McLaren as clear favourites for their fourth successive triumph in the Constructors' Championship.

Williams team mate Italian Riccardo Patrese limping home fifth.

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Edberg, Lendl advance to finals in Hamlet Cup

COMMACK, New York (R) — Ivan Lendl of Czechoslovakia easily defeated John McEnroe in the 35th meeting of their long rivalry Saturday, beating the American 6-3, 7-5 at the \$250,000 Hamlet Challenge Cup.

Top-seeded Stefan Edberg of Sweden, ranked second in the world, was simply too much to handle for 131st-ranked qualifier Olivier Delaire of Luxembourg, who lost 6-1, 7-6 (7-4).

Lendl and Edberg will meet in the final with the winner receiving \$32,400.

Lendl, ranked fifth and winner of this tournament four times, now leads McEnroe 20-15, taking nine of the last 10 and allowing McEnroe only 29 games in their last five matches.

"Lendl won more of the bigger points than I did," McEnroe said. "At the end I missed all of my

first serves.

"He mixed it up well, enough to keep me off balance. He's still one of the top players in the world. He's competent enough for me to know I can't just get the ball over the net. I have to try and do something else with it."

Lendl dominated the first set, breaking McEnroe's service twice, in the third and ninth games.

But the 17th-ranked McEnroe, a former world number one like Lendl and Edberg, rallied against Lendl's shaky service to challenge in the second set.

Edberg comfortably took the first set from Delaire who set a slow pace. Playing in his first semifinal since Sydney in 1989, Delaire managed only seven points off Edberg in the first four games.

Stich and Sanchez reach finals of OTB Open

SCHENECTADY, New York (R) — Top-seeded Michael Stich of Germany and third seed Emilio Sanchez of Spain will face off in the finals after identical 7-5, 6-1 victories in OTB Open Saturday.

Wimbledon champion Stich ousted sixth-seeded Horst Skoff of Austria, while Sanchez beat countryman and eighth-seeded

Francisco Clavet by the same score.

The final will mark the first meeting between Stich and Sanchez. Neither has dropped a set in their four matches during the weeklong tournament.

Stich served up 11 aces in his victory over Skoff, giving him 15 for the tournament.

Sanchez Vicario beats Maleeva for 1st 1991 title

WASHINGTON (R) — Second-seeded Arantxa Sanchez Vicario of Spain gave herself a big boost going into Monday's U.S. Open, dousing sixth-seeded Katerina Maleeva of Bulgaria 6-2, 7-5 to win her first 1991 title at the \$350,000 Virginia Slims of Washington.

Sanchez Vicario, who has won six career titles, earned \$70,000 for her first hard-court title at the 28-player tournament, while Maleeva collected \$35,000.

The tournament, which played its final Saturday to allow the players a day's rest before the open, had no top-seed as Monica Seles of Yugoslavia withdrew.

Sanchez Vicario squandered two match points in the 10th

game and double faulted on two more in the 12th game before closing Maleeva out with an overhead winner in the one-hour-and-13-minute baseline duel.

The fourth-ranked Spaniard said the victory gives her confidence going into the open.

"Maybe people will think that I can win the open now. I wanted to show that I'm not just a clay court specialist. I think winning the open is a possibility," she said.

Sanchez Vicario pinned Maleeva to the baseline with her groundstrokes and broke Maleeva twice to win an uneventful first set, as both players endured 100-degree Fahrenheit (37 Celsius) on-court temperatures.

Sanchez Vicario pinned Maleeva to the baseline with her groundstrokes and broke Maleeva twice to win an uneventful first set, as both players endured 100-degree Fahrenheit (37 Celsius) on-court temperatures.

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NORTH
♠ K J 5
♥ 4 3
♦ A J 10 9 3
♣ A J 4

WEST
♠ 10 9 8 4
♥ 2
♦ 9 2
♣ Q 10 9 8 3 2

EAST
♠ 2
♥ K 10 6 5
♦ K 7 5 4
♣ K 8 7 5

SOUTH
♠ A Q 7 6 3
♥ A Q J 8
♦ Q 8 6
♣ Void

The bidding:
North East South West
1 ♠ Pass 1 ♠ Pass
2 ♠ Pass 3 ♠ Pass
4 ♠ Pass 6 ♠ Pass

Opening lead: Two of spades.

There is a certain ignominy about being defeated in a slam at trick two. This deal is from a recent Master Pairs event held in London. Three declarers reached the slam slam from the South position, on auctions similar to the above. For two, the hand was quickly over.

It is not usually sound to lead away from a king into one of the suits bid by the declaring side, but two of the declarers paid no heed to the impending danger. After receiving the lead of the two of diamonds, both bravely finessed. East won the king and returned the suit, and West's ruff ended proceedings with-

out further ado.

The third declarer was veteran British internationalist Robert Sheehan. Reluctant to be defeated before even having a chance to explore the possibilities, declarer elected to rise with the ace of diamonds on the opening lead. He then found a most elegant way to land the contract.

To start with, Sheehan made the farsighted play of jettisoning the queen of diamonds under the ace. After cashing the king and jack of spades, Sheehan took a winning heart finesse, then drew the remaining trumps, discarding a club from the table. Now came a diamond to the nine.

West was trapped in a no-win situation. If the defender elected to win the king of diamonds, declarer would have a diamond entry to dummy and a second heart finesse would be unnecessary. The long diamonds and the ace of clubs would provide three discards from the closed hand. Withholding the king of diamonds, however, proved to be no better. Declarer's remaining diamond was discarded on the ace of clubs, and after repeating the heart finesse, declarer cashed the ace and conceded a heart. The slam was in the bag, declarer losing only the heart trick.

As they say in the old country: If you drink the water you die, and if you don't drink the water you die.

Peanuts



Andy Capp



Mutt'n'Jeff



HOROSCOPE

FORECAST FOR MONDAY AUGUST 26, 1991

By Thomas S. Pierson, Astrologer, Carroll Righter Foundation

GENERAL TENDENCIES: A confused co-worker who is rebellious could shatter your cool but will eventually find a problem and get busy and organize your work in such a manner that your whole existence will benefit.

ARIES (March 21 to April 19) Get busy and pay the obligations that are a business or personal nature now and see that you are on a high plane of expression by your actions.

Taurus (April 20 to May 20) Now you can find it possible to arrive at that understanding about the overall plan of action to exist between you and those you regard as partners.

GEMINI (May 21 to June 21) Take some time out to actually show you are the one who does your fair share of any project facing you and your usual fellow associates and back them up with praise.

MOON CHILDREN (June 22 to July 21) Think out what you like to do the most whether now or later and make plans to have such adventures and recreations by appointments.

LEO (July 22 to August 21) Take a good look at your own home this first day of the new week and decide what you can do to make your whole course there happier and more comfortable.

VIRGO (August 22 to September 21) Whatever you have in mind that does require some additional effort on usual routines is just great today so go ahead with the plans you have.

LIBRA (September 22 to October 22) There are some clever means by which you can show you are the one who does your fair share of any project facing you and your usual fellow associates and back them up with praise.

given you that helps you with your money?

SCORPIO (October 23 to November 21) These are some highly important means by which you can get pretty much whatever you want now to get a point to show your talents or a personal nature.

SAGITTARIUS (November 22 to December 21) Take sometime to consider now what persons can give you the ideas you need to prepare to have more understanding of know-how in the future.

CAPRICORN (December 22 to January 20) Whatever you have in mind that does require the support and backing of the advice of friends and interested acquaintances can be put in motion.

AQUARIUS (January 21 to February 19) You are not content unless-busy at some project and your efforts can now best be directed at gaining the good will of those in authority.

PISCES (February 20 to March 20) Think over what you want in the way of change and get the information and then start to put this plan in motion as quickly as possible for best results.

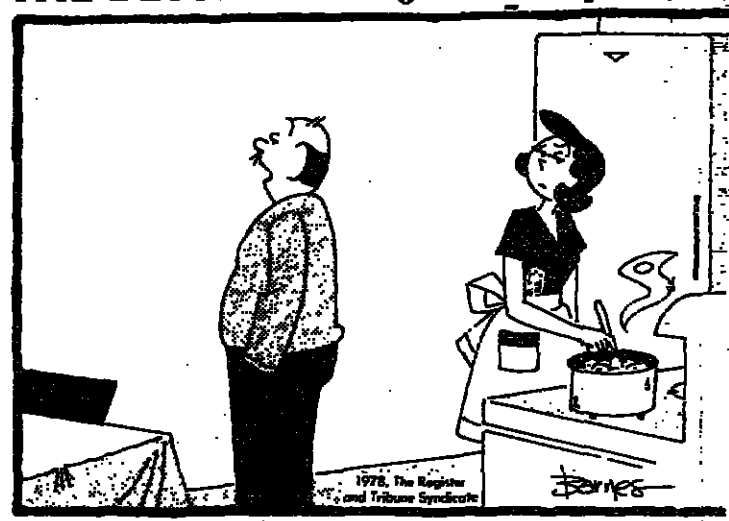
Today's date: If your child were born today she or he will want to know all about life early on — to really understand all factors so try to keep the brake on during adolescence because by maturity this program will be planning forward into every aspect of life and have every chance to make a big through personal experience.

"The stars inspire, they do not compel." What you make of your life is largely up to you.

I have one sincere friend, my birth stone!

World Resources: Dajan & Co. Inc. Amman: Rio De Janeiro Amman: Amra Hotel, 6th floor

THE BETTER HALF. By Barne



"For your Christmas present, I'm installing a smoke alarm in here to alert me whether or not to head out the front door."

JUMBLE THAT SCRAMBLED WORD GAME

by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

ROSYR
UMPEL
MURIAB
YENNET

Have you got all that Miss Muffet's answer?

THAT COMMITTEE TALKED FOR HOURS TO PRODUCE THIS.

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here:

(Answers tomorrow)

Financial Markets Foreign Exchange Market Summary August 19 - August 23, 1991

THE past week witnessed violent movements in currency prices as the Soviet political developments shook international markets upon ending Wednesday. A state of confusion prevailed all week. The U.S. dollar was naturally the centre of the action being the most widely accepted safe haven currency, while the mark was the other side of the coin, the most harmed amid the crisis because of the geographic proximity between Germany and the USSR, their close trade ties and the Soviet troops still present in Germany. The next most adversely affected were the French franc and the sterling pound; the least affected were the Swiss franc and the yen, while the Australian and Canadian dollars actually benefited being neutral but high-yielding currencies. Despite the initial hike in dollar prices, it still finished the week an average of one per cent lower against European currencies compared to the previous Friday's closing levels.

News of the Soviet President Gorbachev being deposed and the declaration of a state of emergency in the USSR hit financial markets world-wide Monday taking the dollar up by just below six pennings to what was to be its highest closing level of the week against all major currencies at 1.6235 marks to the dollar, 138.10 yen to the dollar and 1.6238 dollars to the sterling pound. Speculation between a rising demand for the dollar as a safe haven currency, fear of central bank intervention and technical factors combined to make the market very choppy in both Tokyo and New York, rallying initially to their highest dollar levels of the day and then retreating on profit-taking before finally rebounding. Several European central banks, including the Bundesbank did intervene later on, but their effort was limited. Traders later maintained that the intervention was more to undermine the dollar's rise rather than to halt it.

Technical correction ensued Tuesday following the previous day's hectic dollar gains, taking it to lower levels. Markets remained nervous, wary of further USSR developments and potential central bank intervention. While trading was subdued in Tokyo and in the Far East, it became active in New York.

Reversing direction, the dollar rose sharply Wednesday, when rumors of the failure of the coup in the USSR, which had started earlier on in Far East markets, were confirmed in late European and early U.S. trading. The dollar lost 5.5 pennings, more than making up for Monday's rise. Analysts maintained that the dollar was over-sold in an over reaction, thus calling for a technical correction in the next 36 hours.

Although technical correction did lift the U.S. currency Thursday in Tokyo and the Far East, it retreated again in New York, closing at its lowest levels of the week against major European currencies at 1.7320 marks to the dollar and at 1.6915 dollars to the sterling pound.

Friday witnessed an anticipated two pennings rebound in dollar prices. The sharp rise was triggered by the release of July's durable goods orders in the U.S. with a 0.7 per cent rise against expectations of a mere one per cent. The rise was the highest since 1970. The figures role in promoting the dollar was strong because on the one hand they were perceived by many to be an indication of a turn around in the American economy, and on the other they served to extinguish previous expectations of a near term U.S. interest rate cut. But more even so because they provided needed direction to a split market after the wild gyrations seen during the Soviet crisis. Some traders however, remained skeptic refusing to take the figures at face value, convinced that they did not paint an accurate total picture of the U.S. economy recovery. Gorbachev's remarks that his government should resign, further enforced uncertainty about the stability of the USSR situation thus bolstering demand for the dollar as a safe haven currency and harming the mark.

As for this week, expectations remain mixed as to the direction of the U.S. currency.

New York Closing Rates for Major Currencies Against the U.S. Dollar

Currency	16/8/1991 Close	23/8/1991 Close	Percent Change
Sterling Pound	1.6552	1.6270	-1.7%
Deutsche Mark	1.7645	1.7450	-0.9%
Swiss Franc	1.5445	1.5275	-1.1%
French Franc	5.9990	5.9345	-1.0%
Japanese Yen	137.37	136.38	-0.3%

USD Per 37C
Euro-Currency Interest Rates

Currency	1-Month (%)	3-Month (%)	6-Month (%)	1-Year (%)
U.S. Dollar	5.62	6.00	5.62	6.00
Sterling Pound	11.00	10.66	10.81	10.56
Deutsche Mark	9.00	9.37	8.57	9.37
Swiss Franc	8.72	7.75	8.12	7.61
French Franc	9.36	9.68	9.25	9.56
Japanese Yen	7.40	6.90	7.37	6.75

Source: Reuters for London, exceeding U.S. Dollars 1,000,000 or equivalent

Central Bank of Jordan Exchange Rate Bulletin

Currency	Bid	Offer
U.S. Dollar	.690	.692
Sterling Pound	1.1569	1.1627
Deutsche Mark	.3444	.3464
Swiss Franc	.4510	.4533
French Franc	.1161	.1167
Japanese Yen	.5037	.5062
Dutch Guilder	.3501	.3519
Israeli Sheqel	.1084	.1089
Italian Lira	.0528	.0531
Belgian Franc	.01918	.01928

Turkey introduces new incentives to revive exports, financial markets

ANKARA (R) — Turkey's new government has introduced incentives to revive exports and financial markets before a possible early general election this year.

Eximbank will get funds to promote exports through subsidised loans to manufacturers and exporters of agricultural commodities, minerals and industrial products, according to a decree published in the Official Gazette.

No details were given and Eximbank was not available for comment.

The Official Gazette also said that the price of electricity sold to manufacturers in export industries would be reduced to world prices. Effective from 1992, banking and insurance transaction tax will be reduced to one per cent from five per cent. Withholding tax on foreign currency accounts held by Turks and foreigners will be raised to 25 per cent from 10 per cent.

The new moves follow a spending spree designed to boost the popularity of Prime Minister Mesut Yilmaz's two-month-old government. Mr. Yilmaz has said he hopes to call an election in October, 13 months ahead of schedule.

Banks in Yugoslav republics buy currency at black market rate

BELGRADE (R) — Some commercial banks in three Yugoslav republics have started buying foreign currency at black market rates, Tanjug agency has said.

The agency said some banks in Slovenia, Croatia and Serbia were paying 22 dinars for one German mark, compared with the official rate of 13 dinars, and 35 dinars for a dollar against the official rate of 22.

It said the black market rate was first introduced by banks in Slovenia and Croatia, which declared their independence from Yugoslavia on June 25.

Some banks in the biggest republic Serbia also introduced the black market rate last week and other republics are likely to follow suit, it added.

"There has been no official devaluation of the dinar against the mark or dollar," Marijan Erbatovic, Croatia's deputy finance minister told Reuters. "We are still part of a unified Yugoslav monetary system."

But he said commercial banks were free to adjust the rate depending on supply and demand.

Slovenian National Bank Governor France Arhar said his republic introduced a free market rate to stimulate exports.

The board of governors of the Yugoslav national banks said Friday it would take urgent steps to prevent the black market rate from becoming official in order to prevent further deterioration of economic and political conditions.

It was not immediately clear what the measures would be and bank officials were unavailable for comment.

Romanian government links wages to inflation

BUCHAREST (AP) — Premier Petre Roman's cabinet has decided to index salaries to the economy's galloping rate of inflation, officials said.

Government spokesman Mihnea Constantinescu said salaries, pensions and welfare payments will be adjusted every three months to a level averaging about 40 per cent of the rate of inflation, which is expected to top 200 per cent for 1991.

He said 40 per cent represented "the optimum between the necessity of protecting the population from inflation and the need to avoid an inflationary spiral."

It is "the maximum possible given our budgetary constraints," he said.

The long-awaited decision was the latest attempt by the government to shield the population from the effects of its multi-step price liberalisation, launched last November.

Prices have since risen by about 160 per cent and all price controls are to be abolished by December. Despite salary hikes earlier this year, the decrease in buying power has sharply reduced the government's popularity.

Mr. Roman said that indexation "will greatly reduce the suffering caused by the price rises," the state Rompres news agency reported.

Under the complex indexation scheme, salaries would be readjusted every three months to reflect projected price rises during the following quarter, as calculated by the National Institute for Prognosis and Statistics.

The first adjustment will come in October, and should reflect projected price rises over the year's final quarter.

The rises will be calculated using a "basket" including basic foodstuffs and energy costs. The projection is made possible because of a regulation that all producers announce projected price rises 90 days in advance.

The indexation does not affect the 3.5 million-odd workers in the emerging post-communist private sector — including some two million farmers. Romania's total work force is about 11 million.

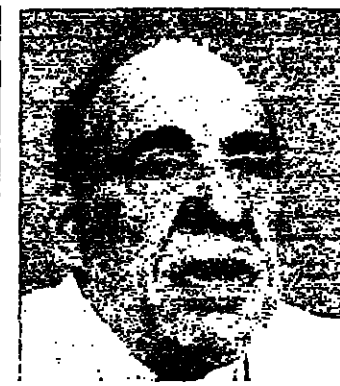
Iran triples car output

NICOSIA (R) — Iran's production of motor vehicles jumped three-fold in the four-month period ending June 21, the Iranian news agency IRNA has said.

It quoted a heavy industry ministry official as saying state-run companies produced more than 31,000 cars, buses, trucks, pickups, and agricultural vehicles in the period, up from about 10,000 in the similar period in 1990 and 1989.

A substantial rise in Iran's oil revenue last year as a result of the Gulf crisis allowed it to increase foreign exchange allotments for many industries.

Iran's car factories were nationalised after the 1979 Islamic revolution, but Tehran newspapers have said several new private firms have applied for permits, taking advantage of the government's recent free-market economic reforms.



Henry Gonzalez FDIC 'will likely be insolvent' by year's end

WASHINGTON (AP) — The fund that insures banks accounts up to \$100,000 "will likely be insolvent" by year's end, congressional investigators have said.

Soon after the report's release, the chairman of the House Banking Committee, Henry Gonzalez, said Congress may need to act within 60 days to replenish the bank insurance fund, which he described as "perilously close" to insolvency.

A bill to reform the banking system would provide the Federal Deposit Insurance Corp. (FDIC) fund with \$70 billion in new taxpayer-backed borrowing authority — and a separate measure introduced by Mr. Gonzalez would do the same.

Mr. Gonzalez said he's willing to move on the separate legislation without waiting for the comprehensive bill.

The report suggested that "having new borrowing authority in place by the end of 1991 would help ensure that the fund has resources available to resolve problem banks."

The date the fund could become insolvent depends on the rate at which insolvent banks are identified and losses recognised, according to the GAO, Congress' investigative agency.

While the fund "will likely be insolvent by the end of 1991," the GAO said, it "should have sufficient cash resources and borrowing authority available to cover its cash needs through Dec. 31, 1991."

The GAO also reported that the fund's balance on Dec. 31, 1990, previously reported as \$8.2 billion by the FDIC, was overstated by at least \$4.2 billion. The report said that the FDIC agrees this adjustment represents needed additional reserves for losses for insolvent banks.

An additional 34 large banks are "more likely than not" to fail this year without capital infusion, the GAO said. An additional 64 large institutions could fail over the next one to three years and a number of small institutions also are in trouble, the report said.

U.S. government spending deficit in July hits \$41b

WASHINGTON (Agencies) — The gap between the U.S. government's spending and its income soared to \$40.8 billion in July from \$2.5 billion in June, the Treasury Department has said.

The monthly deficit last month was 57 per cent higher than in July, 1990, when it was \$25.9 billion.

Total spending in July by all U.S. government departments was \$119.4 billion, while receipts, primarily from taxation, were \$78.6 billion.

The government's deficit has been swelling steadily because of a drop in tax revenues resulting from the recession that began in mid-1990. Any hope of balancing it in the early 1990s, as once was the goal, is now gone.

The government's spending deficit for the first 10 months of fiscal 1991 that ends on Sept. 30 has reached \$218.3 billion. That is up 16 per cent from \$188.5 billion in the comparable 10 months of fiscal 1990.

The deficit for all of fiscal 1990 that ended on Sept. 30 was \$220.5 billion. That figure is forecast by the U.S. Congressional Budget Office to grow to a record \$279 billion for all of fiscal 1991 and then to balloon to \$362 billion in fiscal 1992.

During July, contributions from foreign countries to help pay for U.S. leadership in the Gulf war grew to \$2.2 billion from \$782 million in June.

Jobless claims rise sharply

Meanwhile a surprising surge in unemployment claims this month has many analysts convinced the Federal Reserve (Fed) must lower interest rates further to keep the U.S. economy from a relapse into recession.

The Labour Department said Thursday that 430,000 Americans filed initial applications for jobless benefits in the week ending Aug. 10. That was a spurt of 22,000 over the previous week — and more than five times the increase anticipated by most economists.

"There's no question — the economy has run out of steam, run out of gas," said Jack Albertine, who heads an economic forecasting firm in Washington.

The economy is "going nowhere fast," added Allen Sinai, chief economist at the Boston Co. "It's still an open question as to whether we're out of the recession."

"Time is running out for the Fed to meet its own expectations" for economic growth for the year, Mr. Sinai said. "The central bank will ultimately have to do more. That's been the story the whole year, and it's still the story."

The Bush administration, faced with a presidential election next year, contends the recovery is here but has kept up pressure for lower interest rates. Most economists don't expect the Fed to decide until after the next unemployment report comes out Sept. 6.

Thursday's report, which showed layoffs dragging on and a failure by businesses to hire, may mean that the unemployment rate in August didn't improve.

Radical Yavlinsky gets job on Soviet economic committee

MOSCOW (R) — The Soviet Union has opened the door to the creation of a capitalist market system, with President Mikhail Gorbachev naming radical economist Grigory Yavlinsky to a committee in charge of the collapsing economy.

The appointment Saturday catapulted the 39-year-old whiz-kid of Soviet economics, whose ideas were once shunned, into the top level of economic planning and could lead to the resurrection of his "grand bargain" plan for a market economy.

The plan, co-authored by experts from Harvard University, was shelved last month after Mr. Gorbachev presented his own more cautious reform programme to leaders of the Group of Seven (G-7) major industrialised democracies in London.

G-7 officials are due to meet shortly to discuss Soviet aid in the aftermath of the failed coup by communist hardliners. The Yavlinsky plan calls for large doses of Western aid, which has so far concentrated on technical assistance.

In his new position of power, Mr. Yavlinsky will be given a better chance than ever of pushing through the sweeping privatisation and price liberalisation measures he feels are necessary to revive the economy.

But much will depend on restoring political stability and on cooperation from republics bent on quitting the union or at least demanding greater economic independence and control over resources.

Mr. Yavlinsky failed to get support from Soviet leaders twice before — for the "grand bargain" and for its predecessor the "500 day" plan which he also co-authored.

Mr. Gorbachev watered down the "500 day" scheme almost a year ago, blending it with a conservative plan for gradual change.

Even the compromise measures were not carried out after their approval by the Soviet parliament.

Instead, Prime Minister Valentin Pavlov, one of the coup plotters, pushed ahead with his own anti-crisis programme, criticised by Mr. Yavlinsky as a recipe for economic disaster.

Mr. Gorbachev, his authority slipping rapidly away in the aftermath of the coup, was unable to resist pressure for change this week from the Russian government headed by Boris Yeltsin.

Mr. Yavlinsky advises Mr. Yeltsin's government, focal point of resistance to the coup.

Mr. Gorbachev Saturday named leading reformers to a four-man committee to run the economy, headed by Russian Prime Minister Ivan Silayev and including Mr. Yavlinsky, Deputy Moscow Mayor Yuri Luzhkov, and Mr. Gorbachev's associate Arkady Volysky.

Boeing reports 17% rise in earnings

SEATTLE, Washington (R) — Boeing Co., the world's largest commercial aircraft manufacturer, has reported second-quarter earnings 17 per cent higher due to a rise in commercial aircraft sales and reduced losses in its defence and space business.

The Seattle-based company said net earnings rose to \$454 million, or \$1.32 a share, from \$387 million, or \$1.12 a share, a year earlier. Revenues grew 12 per cent to \$7.81 billion from \$6.97 billion.

Industry analysts said the earnings report was strong, but that the quarter contained an unusually high number of commercial jet deliveries.

Boeing delivered 252 aircraft during the second quarter, including 104 of its popular 737 twinjet and 32 Jumbo 747 jetliners, compared with 216 deliveries a year earlier.

Boeing said 17 customers ordered 84 jetliners valued at \$6.7 billion in the quarter. A year ago, orders for 128 jetliners worth \$11.5 billion were announced.

The company said only a small number of aircraft deliveries are being rescheduled on request from airline customers, which have experienced a sharp reduction in passenger traffic because of the Gulf war and the recession. So far no firm orders for jetliners have been cancelled.

The new chief of Boeing's large jet development efforts says the company is evaluating the market for an aircraft even bigger than its 747-400, currently the world's largest commercial jetliner.

John Hayhurst told Reuters in an interview that Boeing is considering designs for a jet to carry between 475 passengers for distances of up to 8,000 miles (12,875 km).

"I would define the market as bigger than a 747-400... ranging from stretched versions of a 747-400 to an entirely new design," he said.

Such a jet may be ready for delivery sometime after 1995 when Boeing's 777 twinjet is scheduled for delivery, he said.

Mr. Hayhurst's remarks suggest Boeing might be able to deliver the new aircraft before the target date of 1997 or 1998 suggested by a major airline customer.

Stephen Wolf, chairman of Ual Corp's United Airlines, said in June the airline had asked Boeing to consider building an aircraft that could fly up to 650 passengers.

Mr. Wolf said it could be either an extension of the 747-400, which carries 400 passengers and has been highly profitable for Boeing, or an entirely new aircraft.

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Show: 12:30, 3:30, 6:15, 8:30, 10:30 p.m.

NILJOM Tel: 675571

To Be Opened Soon

Nabil Mashini Theatre

Show: 12:30, 3:30, 8:30, 10:30 p.m.

RAINBOW Tel: 625155

FAST FOR WORD

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Bonn urges recognition of Baltic states by EC

BONN (Agencies) — Germany called on the European Community Sunday to recognise the three Baltic states, saying such a move would contribute to stability in Europe.

Foreign Minister Hans-Dietrich Genscher said through a spokesman recognition of the Baltic states was urgently needed after the upheavals in Moscow.

Mr. Genscher would hold preparatory talks with the foreign ministers of Estonia, Latvia and Lithuania in Bonn Tuesday, the spokesman said.

Chancellor Helmut Kohl's spokesman said the question of Germany recognising the Baltic states would be discussed at a government meeting Wednesday.

Political observers did not expect Germany to go ahead and recognise the Baltic states on its own, but it would push hard for the 12-nation EC to do so.

Mr. Genscher said the international community could contribute to stability in Eastern Europe by establishing diplomatic relations and starting comprehensive cooperation with the Baltic states.

"Russia's recognition (of the Baltic states) has created a new situation," said his spokesman, Hanns Schumacher. "We must prepare ourselves for it."

Mr. Genscher predicted last week the Baltic states would soon be independent from Moscow and the Soviet Union would become a confederation of sovereign republics.

Post-World War II Germany, like most Western countries, never recognised the 1940 Soviet annexation of the Baltic states. Moscow seized the Baltics under the terms of a 1939 Hitler-Stalin pact dividing Europe with Nazi Germany.

Belgium will push for a coordinated

European Community (EC) decision to establish diplomatic ties with the Baltic republics of Latvia, Lithuania and Estonia, a Foreign Ministry spokesman said Sunday.

"We will be pushing for a meeting of the EC's Political Committee in the coming days," the spokesman said, according to the Belgian news agency Belga.

He said Foreign Minister Mark Eyskens believed the independence process had been speeded up by the failure of the hardline coup which briefly toppled President Mikhail Gorbachev.

Earlier, Danish Foreign Minister Uffe Ellemann-Jensen said Denmark would establish diplomatic relations with the three republics as soon as possible, without waiting for the rest of the EC.

"We are ready to set up diplomatic relations with the three states and all practical arrangements have been put into effect," he said in a statement in Copenhagen.

Mr. Ellemann-Jensen said developments in the Soviet Union had made it possible for Denmark to go ahead with diplomatic recognition of the three Baltic republics.

Non-EC member Iceland was the first country to offer formal diplomatic recognition to the three.

Meanwhile, Soviet power, waning across the union, has sunk dramatically in the Baltics, as each of the three republics has intensified its push for independence since the bungled coup against Mikhail Gorbachev.

On Saturday, crowds of Lithuanians shouted "Killers" at KGB officers in the republic's capital of Vilnius. The dreaded secret police agreed to curtail

activities in Lithuania and Soviet troops withdrew from a police academy there.

"We are free now, at long last," said Vidas Gibavicius, a 52-year-old man who spent time in a Siberian prison camp.

Pointing to the KGB building, he said, "that place is the last piece of the gulag."

Latvians, meanwhile, prepared to topple a statue of Lenin in Riga to hammer home their unwillingness to seek nothing less than complete independence.

In Moscow, Russian Federation President Boris Yeltsin issued decrees formally recognising the independence of Latvia and Estonia. Mr. Yeltsin had earlier recognised the independence of Lithuania.

The decree also urges Mr. Gorbachev and other world leaders to recognise Estonia's independence, according to TASS, the official Soviet News Agency. Mr. Yeltsin's successful leadership of resistance to last week's failed hardline coup against Mr. Gorbachev has greatly enhanced his clout.

Leopold Mari, the Estonian foreign minister, said it was necessary for the Baltic states to move quickly because of the continuing danger of a military coup. The Russian leadership will not be capable "of dismantling this power structure immediately. The possibility of another coup remains."

In Lithuania, Soviet elite Interior Ministry forces drove away from the police academy in Vilnius in armoured personnel carriers.

The notorious "black berets" had seized key sites in Lithuania in January, killing 14 people, and again occupied installations in the republic during last week's unsuccessful



Hans-Dietrich Genscher

successful coup.

"They were armed to the teeth and their weapons were loaded," Česlovas Blazys, chief commissioner of the Vilnius police who negotiated their withdrawal, said of the Soviet troops.

Deputy Prime Minister Zidmas Vaishlova said the changes involving the KGB would come after a transitional period. He said the KGB will maintain some activities in the republic, but did not say which.

In Moscow, the central KGB has been the target of widespread popular fury. Its chief, Vladimir Kryuchkov — who has been arrested and replaced — was one of the coup leaders.

Estonian President Arnold Rüutel met with new Soviet KGB chairman, Vadim Bakatin, in Moscow Saturday to discuss liquidating the organisation's branch in Estonia, the Estonian News Agency (ETA) reported.

In Riga, a crowd of 1,000 formed Saturday outside the KGB headquarters, which has been cordoned off by Latvian militia and ordered to turn over its files. The crowd shouted at Communist lawmaker Yuri Borjas as he emerged from the building, demanding that he turn over documents.

Fighting resumes after jet shot down in Croatia

BELGRADE (R) — Fighting resumed across Croatia Sunday following the shooting down of an army fighter jet, an action that could signal a dramatic escalation of Yugoslavia's undeclared civil war.

Croatian Radio said a member of the breakaway republic's National Guard was killed when villages inland from the Adriatic city of Split came under mortar and machinegun fire from Serbian guerrillas.

It also said fighting was taking place at the other extreme of Croatia, at Borovo Naselje and Vukovar in eastern Slavonia, where Croatian anti-aircraft gunners shot down a warplane on Saturday evening.

Air raid sirens sounded in Vukovar, the radio said. The downing of the Galeb-2 fighter was the first "kill" for Croatian gunners in a bitter Serb-Croat conflict that is increasingly becoming open warfare despite a declared ceasefire.

The army was deployed in Croatia to act as a buffer between the warring sides, but Croats say it is arming and actively backing Serbian guerrillas who are fighting to keep Serb-dominated areas within Yugoslavia.

The breakaway republic's defence minister said Saturday Croatia would call for full mobilisation and engage the army directly if land and air attacks did not stop by Aug. 31.

More than 300 people have been killed in guerrilla skirmishes and mortar and machinegun attacks since Croatia declared its independence exactly two months ago, along with neighbouring Slovenia.

The army said the fighter was lost while its planes were engaged in "routine exercise flights" over the tense eastern Slavonia region.

It said the plane was hit by anti-aircraft fire while near Vukovar. The pilot was forced to eject and was picked up uninjured by rescue services, and a second plane replied to the attack with machinegun fire.

Both Belgrade Radio and Zagreb Radio, which reflect their respective Serbian and Croatian biases and frequently give conflicting accounts of fighting, said a second plane was brought down near Vukovar.

Officials could not be reached to comment on these reports. The army has made several air attacks on entrenched Croatian National Guard positions in eastern Slavonia.

The focus of a war of attrition there is the key town of Osijek, some 30 kilometres from Vukovar.

Soviets hail Gorbachev's resignation from party

MOSCOW (AP) — Disabled World War II veteran Lev Mokeyev put aside his cane, got down on his knees, and clasped his hands together in victory when he heard Mikhail Gorbachev resigned as Communist Party chief Saturday.

"Why didn't he do it earlier? If he had done it six years ago, this outrage wouldn't have happened," he said.

"Gorbachev's still president of the country, but who elected him? I recognise only one president — Boris Nikolayevich Yeltsin."

Soviets have accused Mr. Gorbachev for several years of wasting precious time flitting with the West while denying his own people basic necessities such as food, decent housing and affordable clothes.

When Muscovites learned last week that Mr. Gorbachev had been ousted by Communist and military hardliners, few felt sympathy for him until they realised he was being held prisoner at his vacation dacha in the Crimea.

But when Mr. Gorbachev returned to his post, many, especially those who blamed the Communist Party for the coup, became anxious again to see him leave.

"The best exit would be for him to resign as president now, to leave as a hero, a sufferer," said ballet teacher Alexander Klimov, standing with a group at the Russian Parliament building, centre of resistance to the coup.

"But all depends on future events, what will be the attitude of the party and the Supreme Soviet toward him," he said.

Mr. Klimov's brother, Vladimir, a bearded, stocky subway construction worker from the Byelorussian capital of Minsk, said Mr. Gorbachev's biggest mistake was ignoring his own people.

"Gorbachev did a lot for the country internationally, but he didn't care about what was going on inside the country," he said.

"Maybe it would be better if he became foreign minister."

Lydia Smirnova, 20, an attractive brunette medical worker, was angry that Mr. Gorbachev for so long appeared to turn a deaf ear to complaints about the party.

"He's a person who hasn't done anything for us. Maybe glasnost was something, but the simple people haven't seen any changes whatsoever," Ms. Smirnova said.

"Maybe he's built up bridges between countries, but for his own people he hasn't done anything at all," she said.

Across town on October Square, talk was not of Mr. Gorbachev but of taking down a huge statue of Lenin. A bitter argument ensued between an elderly woman, Raisa Filimonova, and two young men — a lawyer and

an engineer.

"We have to clear this thing out of here," declared lawyer Sergei Kolopliankov.

"It's you we have to clean out," declared the old woman, accusing Kolopliankov and others producing nothing for society compared to the older generation.

The engineer, Konstantin Krivitsky, said that like many others his family had suffered under orthodox communism. "My grandfather and grandmother were repressed," he said.

"Yes, and for what?" countered Filimonova.

Nikolai Gonchar, a top official of the Moscow City Council, told a couple dozen people gathered around the statue that the council would soon discuss removing it and other such monuments.

Lenin's party is still a strong ideal for some, including Anatoly Klepik, a party political officer in his mid-40s who said he was drawn Saturday night to the Russian Parliament building.

"I am very sad. I am sorry, because I spent a lot of years, at least 30 years, in the party. I believe in socialism and I believe in it now," he said.

"I want to live in a society where everyone can live freely, I believed in that, I believe in that, and the party is connected to that," he said.

Casino worker Alexander Podubny, 19, gave Mr. Gorbachev credit for starting democratic reforms.

"He united us, unbound the handcuffs that bound our hands together for a long time, and helped us find a path towards a new world," said Mr. Podubny, sporting a baseball hat and black leather jacket with a "depeche mode" rock group button pinned to it.

"If you judge by astrology, Gorbachev is Cancer and Yeltsin and Russia are Aquarius. I think now we're in the age of Aquarius. For that reason, only Yeltsin can help Russia now," he said.

Professors, students quit party in droves

Ilya Reznikov, the student council president at a Moscow University, made a painful discovery last week when he joined a protest at the Russian Parliament against a hardline Communist coup.

"My conscience and beliefs were on one side of the barricades, but my party membership card was on the other side," said Mr. Reznikov, 23, a four-year member of the Communist Party.

On Thursday, Mr. Reznikov quit the party. "I decided it's better to keep my conscience than my party card."

Reznikov was not alone. Classmates and professors at Russian State University for the Humanities also began quitting the party in droves last week.

10 rebels, policeman killed in Sri Lanka ambush

COLOMBO (AP) — Police commandos killed 10 Tamil rebels and lost one of their men in a fierce gun battle following a guerrilla ambush in eastern Sri Lanka, military officials said Sunday.

Saturday's battle came after the Tamil Tiger rebels, who recently suffered a severe military setback in the north, agreed Thursday to allow a Tamil government minister start peace talks.

The military officials in Colombo said the policemen were on a routine patrol in Rufukulam village in Ampara district when they were attacked by the guerrillas. The village is 200 kilometres east of Colombo.

The commandos found the bodies of eight rebels after the fight while the other militants fled with the bodies of two dead comrades, said the officials, who cannot be identified under briefing rules.

The Liberation Tigers of Tamil Eelam (LTTE), Sri Lanka's most powerful militia, has been fighting since 1983 to set up an independent homeland in the island nation's northern and eastern regions.

On Thursday, rebel leader Anton Balasingham told Tamil journalists in the Tiger stronghold of Jaffna that his group will not obstruct Tourism Minister Savanumoorthy Thondaman's efforts to work out a peaceful solution to the homeland issue.

At the headquarters of Division 286, the commander told the

tenders likely to make up the field include at least Sen. Harkin and Mr. Clinton — the two capable of attracting the large sums of money and the public attention necessary to mount a credible campaign.

Pitting Sen. Harkin, a midwesterner representing the party's traditional liberal populist faction, against Governor Clinton, a southerner from the party's moderate wing, could turn the primary into a struggle over the future direction of the National Democratic Party.

A decision by Tennessee Senator Albert Gore to keep out of the Democratic race because of family obligations last week again narrowed the field of potential Democratic contenders.

Earlier, West Virginia Senator Jay Rockefeller and House of Representatives Democratic Leader Richard Gephardt of Missouri decided against challenging Mr. Bush. Black civil rights leader Jesse Jackson is said to be

leaning against a third run for the presidency.

The sole declared candidate, former Massachusetts Senator Paul Tsongas, has failed to excite voters and is discouraged as a serious contender by party professionals.

Others besides Sen. Harkin and Mr. Clinton, who have not yet declared but are expected to, are Virginia Governor Douglas Wilder and former California Governor Jerry Brown.

With 11 months remaining until the Democratic convention, which is set for July 13-16 in New York, the outlook remains fluid.

"There's likely to be an October surprise, a November surprise, a December surprise," predicted Democratic consultant Bob Newman.

The most significant of these would be a declaration of candidacy by Sen. Benenson, who was Democratic nominee Michael Dukakis's highly popular running mate in 1988, or by Mr. Cuomo,

World leaders welcome Gorbachev's resignation

LONDON (Agencies) — As Soviet President Mikhail Gorbachev resigned from the Communist Party and it began to collapse, world leaders indicated Saturday that they may be willing to provide more help to the Soviet Union but not before real reforms take hold.

"If the party's gone, good riddance," said Canadian Prime Minister Brian Mulroney. "It was a small clique that dominated and corrupted the Soviet Union."

Mr. Gorbachev resigned as Communist Party chief and urged its central leadership to disband the institution that has ruled Soviet life for 74 years.

It was a culmination of a stunning Kremlin shakeup that followed last week's failed coup.

In Moscow, Gennik Borovik, member of the Soviet parliament, told Cable Network News (CNN) that Mr. Gorbachev's decision was inevitable: "It was not a great surprise. It was a logical element of events."

Mr. Mulroney said the dissolution of the party would mean more Western financial aid for the Soviet Union.

"They get rid of the Communist Party, they'll probably get more (aid) ... because we always viewed it, quite frankly, as a very grave structural inhibition to the reform of the Soviet economy," Mr. Mulroney said during a break in a meeting of his Quebec caucus.

The White House welcomed Mikhail Gorbachev's decision to abandon leadership of the Communist Party.

Bush spokesman Martin Fitzwater, in a brief written statement, said of Mr. Gorbachev's decision: "We welcome this news as another step forward in the reform process."

At his holiday home in Maine, President George Bush said before news of Gorbachev's resignation was confirmed that the United States eventually may be able to provide cash to the beleaguered Soviet economy, but not before he knows "who we're dealing with in these ministries."

In London, Prime Minister John Major had no immediate comment, but a Downing Street spokesman said: "The Communist Party has failed the Soviet Union as it has failed other countries."

"The party's imminent demise is unsurprising and welcome, the Soviet Union now has to find a just and democratic solution."

Earlier, Mr. Major indicated that Britain may be able to give more help to the Soviet Union as old power centres collapse.

German Chancellor Helmut Kohl has called for other countries — especially Japan and the United States — to provide more aid.

Mr. Major, in a letter to British opposition Labour Party leader Neil Kinnock, said, however, "to have given more instant cash aid would have achieved nothing — indeed we were not asked for cash."

"It would certainly not have prevented the coup, which was led by those who thought reform had gone too far, not that it had failed to go far enough."

On Friday, Mr. Major announced that ranking officials of the United States and other G-7 countries would meet in London within a week to begin a review of aid programmes in light of the fast-changing situation in the Soviet Union.

Mr. Bush, who hosts the leaders of Canada and Britain at his Maine retreat this week, said he feels no pressure from allies to boost aid to the Soviets.

"I have not been contacted by any single member of the G-7 (group of seven) with that in mind. Nobody has suggested that to me," he said.

Foreign Minister Roland Dumas of France wrote a letter to his Dutch counterpart, Hans Van Den Broek, demanding an urgent meeting of the foreign ministers of the 12 European Community nations to weigh the consequences of Mr. Gorbachev's resignation.

"This decision signifies that the reform movement in the Soviet Union is accelerating, and that's something that must be taken into account," Mr. Dumas said on French Radio.

Germany cautiously welcomed Gorbachev's resignation, saying it would ease the way to reform.

Bonn government spokesman Dieter Vogel said Mr. Gorbachev's exit from the party meant no immediate change in relations between Bonn and Moscow.

Mr. Vogel said Mr. Gorbachev, as president of the Soviet Union, was now free to act without "taking into consideration a party which mostly stood in the way of comprehensive political and economic reform."

"President Gorbachev's decision was taken in response to the starting of full-fledged reforms on a grass-root level towards democratisation and liberalisation," Foreign Minister Taro Nakayama said in a statement.

"Our country welcomes this decision."

Cuba silent on Soviet events

Cuban news media gave ample coverage Saturday to events sweeping the Soviet Union, though the government still had no official comment since President Gorbachev's return to power.

"Broad state restructuring begins in the Soviet Union," read the main headline in the official newspaper Granma.

For the first time since the failed hardline coup this week, Granma published no articles from the Soviet News Agency (TASS), using instead reports from Cuban News Agency, Prensa Latina, Spanish News Agency (EFE) and uncredited stories.

U.N. survey team tours northwestern Cambodia

BANGKOK (AP) — As Cambodian leaders prepared for peace talks, a U.N. team visited the battlefields of Cambodia to determine how to monitor a promised truce and halt in the arms flow, the Cambodian News Agency (SPK) said Sunday.

The 12-member United Nations team led by Gen. Timothy Dibiama of Ghana headed out into the field Saturday, visiting government positions in northwestern Siem Reap and Oddar Meanchey provinces, said the SPK report monitored in Bangkok.

At the headquarters of Division 286, the commander told the



Raisa Gorbachev

Raisa Gorbachev reportedly is not feeling well

MOSCOW (AP) — President Mikhail Gorbachev's wife, Raisa, has fallen ill since the attempt to oust her husband from power, presidential spokesmen said Sunday.

Mrs. Gorbachev, 59, "is sick and is at home," said Igor Malashenko of Mr. Gorbachev's press office. The Gorbachevs were staying in their country home northwest of the city.

Mr. Gorbachev's chief spokesman, Vitaly Ignatenko, said the first lady "is sick. But I cannot say it is serious."

Neither Mr. Ignatenko nor Mr. Malashenko would specify her ailment.

"She hasn't been feeling well since being in the Crimea," Mr. Ignatenko said.

Asked whether she was receiving medical care, Mr. Ignatenko said: "Of course there is a doctor there, but one cannot speak about treatment." He declined to elaborate.

Mrs. Raisa Gorbachev was last seen in public walking off an airplane at a Moscow airport after three days in captivity with Mr. Gorbachev, their daughter Irina, son-in-law Alexander and two granddaughters.

Mrs. Gorbachev was walking alone and carrying one of the sleeping grandchildren in her arms, witnesses said.

An official of the Russian State Defence Committee, Victor Samoilov, said later that Mrs. Gorbachev "was completely healthy" when she arrived back in Moscow after the ordeal.

The U.S. television network ABC reported Saturday that the Soviet president's wife was ill, quoting an unidentified Soviet spokesman.

ABC also quoted Russian Prime Minister Ivan Silayev as telling it "that when he saw Mrs. Gorbachev — this was just after the coup failed — she was suffering from partial paralysis and from slurred speech: in his mind, signs that she could have suffered a stroke."

That report could not be confirmed by the AP.

At the outset of the coup, the Gorbachevs were isolated at the president's vacation retreat on the Crimean peninsula in the Black Sea. After the coup collapsed, they flew back to Moscow, landing early Thursday morning.

At a news conference later Thursday, Mr. Gorbachev said that house arrest had been trying on his wife.

"Raisa Maximovna and my daughter took it very hard. Yesterday, Raisa Maximovna was not well." He did not elaborate.

Mr. Gorbachev's glasnost reforms have begun to break the seven-decade taboo on reporting details about the private lives of top Soviet officials and their families.

Sen. Benenson, who won respect from party professionals with his smooth 1988 campaigning under challenging circumstances, has no plans to run out but not ruled out a 1992 race, aides say.

Mr. Cuomo, the New York governor, "still has no plans (to run)" and no plans to make plans," a spokesman said.

"The key time is now until Thanksgiving (in November)," said Democratic strategist Michael McCurry.

"Party professionals will be looking to see whether the candidates in the race by then excite the voters and trigger the notion that there's a race," he said.

If there is no visible swell of voter enthusiasm by that time, look to party professionals to start working up plans to engineer the late entry of a big-name candidate such as Mr. Cuomo or Sen. Benenson, party operatives predicted.

COLUMN

S. Korean opposition leader arrested for adultery

SEOUL (R) — A South Korean opposition leader who became a bit too close to a supporter has been arrested and charged with adultery, prosecutors have said.

Lee Yong-Mee, 60, was being detained in a Seoul prison after his formal arrest Friday, they said. Mr. Lee is a co-chairman of the main opposition New Democratic Party (NDP). Mr. Lee, who is married, has been charged with having extramarital sexual relations at least four times with 42-year-old campaign worker Yoon Chang-Soon. He was arrested after Mrs. Yoon's husband complained to authorities.

Mr. Lee is the first legislator to be arrested for adultery since the current National Assembly session opened in 1988, the official said. NDP officials declined to comment on Mr. Lee's arrest. It was unclear, if Mrs. Yoon would be arrested. Adultery is against South Korean law and prosecutions are not uncommon.

Thai diplomat held after heroin seized at London airport

LONDON (R) — British customs arrested a Thai diplomat and four other men Saturday after seizing 60 kilograms of heroin at London's Heathrow Airport. Thai Prime Minister Anand Panyarachun cancelled the accreditation of the unidentified envoy — a counsellor at the Thai embassy in London — lifting his diplomatic immunity, a customs spokesman said. "I very much welcome this cooperation and assistance from the Thai government which is entirely in line with the excellent relationship we have enjoyed to date," customs chief investigating officer Douglas Twiddle said. The diplomat arrived on a Pakistan International Airways flight from Islamabad and was met by another Thai and three Pakistanis who were also detained at Heathrow. Customs officials had earlier said four men had been arrested. The drugs, worth about £8 million (\$14 million), were detected by sniffer dogs and represented the biggest seizure of the drug in Britain this year, customs officials said.

Giant black opal found in Australia

PERTH, Australia (AP) — A giant black opal has been found in a remote area of Western Australia state, turning the Australian prospector who discovered it into an instant millionaire, his agent said Saturday. Peter Milic found the 16.5-kilogramme (36-lb) opal at a claim in the northwestern part of the state, said John McDonald, executive director for Opal Investments of Australia. Milic had been working at the site for two years. The opal was valued at 6 million dollars (\$4.68). McDonald said Milic, 49, also had discovered two other stones, one weighing 4.6 kgs (10 lbs) and another weighing 159 grammes (5.5 ounces), McDonald told Australian Associated Press. The smaller stone has already been sold for an undisclosed sum, but McDonald said the company was still deciding whether to cut the larger stones or sell them intact.

Dire Straits launches world's biggest rock tour

DUBLIN (R) — British group Dire Straits won a rousing reception in Dublin Friday in launching what was billed as the biggest tour in the history of rock music: Starting with a week in Ireland, the group will take in 24 countries on a two-year tour and reach a total live audience estimated at 7.1 million people. "No other band has ever undertaken a tour of this magnitude," said a spokesman for the organisers. Dire Straits had not given a live show for five years following the phenomenal success of the Brothers in Arms album which sold 20 million copies and is reputed to be the biggest-selling compact disc ever produced. The group's last tour ended with disgruntled lead singer Mark Knopfler saying he was not sure there would ever be another Dire Straits album. "There is a lot more to life than being in Brussels on a grey day with a gig to do," complained Knopfler, 42, whose band is the favourite rock group of Britain's Princess Diana. But Knopfler, wearing his trademark blue bandana to pin back fast-receding grey hair, exuded enthusiasm at the start of the new tour, which coincides with the release of a new album, On Every Street.